

Senator NELSON. They are articles on what, Doctor?

Dr. APPLE. The increasing use of generics all over the country.

Senator NELSON. I would like to have you submit them for the committee files and if they seem useful for the record we will have them printed in the record.²

It is your view, then, that developments like that initiated by Peoples & Grays and this one here indicate a growing demand for reliable quality generics and the beginnings of an expanded program of stocking generic drugs by the retail pharmacist?

Dr. APPLE. Generic in itself has always had the connotation of being a bad word, an evil term, and I think we finally have come to an educational point where we recognize that what you call a drug is no criterion of its quality. The label, the nomenclature, goes on last. The quality is built in first, and for this reason, I think prescribers and others, pharmacists certainly, are taking a keener interest in the use of generic drugs.

Senator NELSON. Well, it is true, is it not, that a number of the most distinguished brand-name manufacturers also are manufacturing generic drugs, is that not correct?

Dr. APPLE. Yes, it is.

Mr. GORDON. They are really not generic drugs. They are regular drugs under a generic name. We are really talking about names rather than drugs, aren't we?

Dr. APPLE. I would agree with you, Mr. Gordon, that there isn't such a thing as a generic drug.

It is the use of, we prefer to—

Mr. GORDON. Why don't we call it official names rather than generic names?

Dr. APPLE. Official name, scientific name, established name is the nomenclature system we go by.

Senator NELSON. Go ahead.

Dr. APPLE. Because of the interest of this subcommittee and other congressional bodies, the public, the professions and the government at all levels are taking a thorough look at drug costs and expenditures. The day is not far away, as we see it, when the prices for similar dosage forms of drugs with identical therapeutic ingredients and comparable therapeutic effectiveness will be narrowed to insignificance.

Mr. GORDON. How do you expect to get this without legislation?

Dr. APPLE. Well, I have said the unanswered question is whether this result will be achieved without legislation. We see it happening through the mechanism of a hospital pharmacy and therapeutics committee—first, the general deemphasis on the brand name, the increasing emphasis on established nomenclature, the hospital formulary system being adopted in a general community environment as a community formulary system which we comment on later in our testimony, the comparative knowledge about manufacturers' prices, both among physicians and pharmacists. Certainly the commentary of the General Accounting Office, the implementation of title XIX, the legislation offered by Senator Long and Senator Montoya, the hearings by Mr. Dingell and the hearings of this subcommittee are all factors that are going to, as we see it, produce some changes.

² Retained in committee files.