

A new distraction recently has been interjected in the discussion. Opponents of the professional fee claim it could become a political football. They argue that if the Government reimburses pharmacists on the basis of an average fee, Government might initially establish an equitable fee, but as costs for Government-financed programs increase, the Government can be expected to try to force the fee downward. They overlook the simple fact that Government can just as easily reduce a percentage markup or the base cost to which the markup is applied. We feel that there is less danger of this happening under the fee method because the cost of providing the pharmaceutical service in dispensing a prescription can be readily verified and is independent of the drug acquisition cost.

The American Pharmaceutical Association supports and is encouraging the use of the professional fee system because we believe that it serves the public interest as well as provides a sound economic base for the services provided by the practitioners of our profession. We have encouraged its use in public assistance and prepayment programs. We have supported its inclusion in legislative proposals before Congress and State legislatures.

Some have characterized our efforts as unexplainable and almost reckless type of activity. Without apology or hesitation, we have expressed our opinion in unmistakable terms. We are pleased with the progress we are making. The professional fee method is now part of the reimbursement procedure for pharmaceutical services in many State public assistance programs. It was incorporated in the prepayment program for pharmaceutical services recently negotiated by the United Auto Workers. The Government Accounting Office has recommended the professional fee as the preferred method for reimbursement in Government-financed programs. On a nationwide basis, the professional fee has been used in the CHAMPUS program since October 1, 1966.

We would like to complete our comments on this subject by quoting the summary of a recent article by Dr. Robert V. Evanson, professor of pharmacy administration, Purdue University:

The leaders in pharmacy who say that drugs are not articles of trade in pharmacy at the practitioner's level are correct. * * * In the pharmacy they are dispensed as component parts of a professional service. Therefore, legend drugs should not be classed as consumer goods, nor should they be sold at a markup.

If this concept is ever fully accepted by pharmacy's functionaries, and especially its practitioners, a lot of currently sticky problems will eventually be solved. The Pharmaceutical Manufacturers Association will not have to be evasive on price discussions with practitioners, nor will it have to sit in Senate investigations trying to double-talk its members' pricing practices to the detriment of pharmacy as a whole. The American Medical Association will not be sounding off about pharmacists' high prices and drug shopping to its physicians' patients. Each physician will be stuck with his own treatment costs to justify to his own patients. Pharmacists will define their role as professionals and will charge fees commensurate with the services rendered and the lowest cost possible for those services.

Finally, when the patient asks the pharmacist, "Why does this prescription cost so much?", he can answer very simply and truthfully. He can cite the manufacturer's cost, or he can cite the higher priced drug selected or the total quantity prescribed by the physician. In every instance, he can tell the patient that he is getting exactly what the physician ordered at the manufacturer's cost price to him, and that all he is paying the pharmacist is a small fee for his professional service. Every element involved is openly and directly responsible to the patient for his own part in the cost of drugs, and to me this makes sense in a system now given to buck-passing and laws.