

But absent that—I think that we should, and we are willing to try and devise a system. But when we talk about the economics of drugs—we cannot start or stop at manufacturers' prices. We have to be prepared to talk about it up and down the line, because ultimately we are talking about the price paid by the patient.

So we have to examine the elements of this whole distribution system. The pharmacist, the wholesaler, and manufacturer.

Now, to the extent there is inadequate price information available to anybody that makes that decision up and down the line, we think he should get more information. We think he should have more information about manufacturers' prices, and we think the public and the doctors should have more information about retail prices.

When he gets this, he is going to be able to make a more intelligent decision.

Now, how this is done, I don't know. Getting this information around and making it available is not a simple proposition. But we definitely would like to be a party to the discussion of how that could be done most effectively.

Senator JAVITS. I don't think I quite got my point across to you, from your answer. My point isn't that I want to take surveillance over the distribution costs, advertising cost, research cost, and so forth.

I want it to be a matter of private business decision.

But what I say is, Why can't a fellow who goes into a drugstore, or a doctor who prescribes, the minute he says prednisone, then the patient knows and the doctor knows that he cannot possibly get a product from the pharmacist that does not meet certain minimum standards set by the FDA or by you people—

Senator NELSON. Senator, he can.

Senator JAVITS. Just a second—which qualifies for prednisone.

Now, if the doctor says, "Look, there are lots of prednisone. They all qualify technically. I don't like most of them. I like this one. I want you to have this one."

The patient would probably do it.

But, nevertheless, having that concrete base that anything marked "prednisone" is illegal unless it meets certain minimal standards, the competitive situation will bring down these inordinate disparities in price.

The question I asked you is, Who do you want to do that—do you want the industry to do it or the Government to do it, and if you want the industry to do it, what kind of a plan have you got?

Mr. STETLER. Obviously, we want the industry to do it. But could I just say that the premise that you state with respect to prednisone is not right. You cannot say today that the hundred sources of prednisone on the market are all in compliance with Government standards.

Senator JAVITS. Let me interrupt you. I am not saying it today. I am asking you, How do I get to the point where I can say it?

Mr. STETLER. I suppose we get to that point when we can say that all manufacturers of drugs at least meet some kind of standard as to expertise of their employees, adequacy of their facilities, know-how, and some consistent way to assure that on a day-to-day basis they utilize the facilities and the people they have in the proper way.

Now, we don't have that today.