that Lilly produces a generic, the same drug. Would you say that the quality controls would be different?

Dr. SLESSER. I don't think they would be. As I said, there may be minor differences in the approaches. But I think one would be as effective as another, and they would both accomplish essentially the same thing.

Mr. GROSSMAN. Are there, or do you know of any examples, then, of drugs such as I have just mentioned where there is a trade name—a brand-name drug and a generic both produced by the leaders, so to speak, where there is a great deal of price differential between the two? I am not talking about——

Dr. SLESSER. Mr. Grossman, I am not too well informed about prices. I have no price-determination function in my capacity with my company.

Mr. GROSSMAN. Are there any of you that could answer that? Are there cases where a generic and a trade-name drug, both produced by leaders, the prices vary to a great extent?

Mr. CUTLER. I do not have a specific answer for you, Mr. Grossman, but I think we can assume there are some such cases.

Mr. GROSSMAN. I am informed we have prednisone $17 by Schering and $2 and some odd cents by Merck.

Mr. CUTLER. Those are both sold under brand names. But still you can go ahead and make your assumption. There may be there are cases where they are sold under generic names.

Mr. GROSSMAN. As a doctor, how would you make a distinction between those two? This is very basic—but I think sometimes we have gotten away from the very basic. In other words, how is a doctor going to make his distinction?

Dr. SLESSER. Mr. Grossman, since you brought up prednisone, and since the Medical Letter has been cited frequently in the course of these hearings—referred to, I should say—I would like to point out the significant statement that appears in this very same Medical Letter that so far has not been aired. And I will read it:

Disintegration test—

Which is a U.S.P. test—

measures only disintegration and not physiological availability. There is nothing, however, either in reports of clinical trials or in the experience of Medical Letter consultants to suggest that variations in formulation are causing any problems in the treatment of patients.

Now, here again there is a double negative, which proves nothing.

Mr. GROSSMAN. Would you be able to tell me, then, that a doctor should choose the Schering product as opposed to the Merck product, for any reason—except his own—for some reason he likes one?

Mr. CUTLER. Mr. Grossman, I think the only answer we can make to that is that if the doctor, based on his clinical experience with his patients or other clinical experience in which he has faith, concludes that those two drugs are substantially equivalent therapeutically, then as Dr. Slesser says, he ought to prescribe the cheaper one. And the AMA has urged doctors to take price into account.

Mr. GROSSMAN. How does a doctor find out about price?

Mr. CUTLER. About price?

Mr. GROSSMAN. Yes. In other words, where does he find this out?

Mr. CUTLER. The detail men inform him about price. Pharmacists will tell him, I suppose, if he asks about price.