

Mr. GROSSMAN. Would you agree that there should be something available to doctors to show pricing policies of all drugs—in other words, should there not be something? I think there should be something that—so that a doctor would be able to look at something and say Merck is \$2-some-odd cents, and Schering is \$17, and maybe I better think twice before I do it.

Mr. CUTLER. Mr. Stetler testified the other day that he thought a doctor should have whatever information, meaningful information, can be provided to them about manufacturers' prices. Now, you do have problems in equating manufacturers' prices, of course, because those are not the prices at which the drugs are sold in the drugstore. And it may be more meaningful for him to have drugstore prices.

Mr. GROSSMAN. Is this ever going to be resolved? Are we going to continue to discuss this?

Mr. CUTLER. We would favor having it resolved.

Mr. GROSSMAN. What steps are we taking to resolve it? Or are we going to resolve it?

Mr. CUTLER. You now have directed HEW to make studies, at least with respect to the medicare problem.

Mr. GROSSMAN. We discussed this at the end of Mr. Stetler's testimony last week. Aren't we faced with this unending process again?

You know when FDA makes that study—I don't know—but there is going to be a lot of problems with the study, and you have the Parke, Davis study on the other side, and you can go on and on—this is with regard to equivalency. I am sure we can have the same discussions about compendia. In other words, we can go on and on and on about all these things.

Mr. CUTLER. Mr. Grossman, I agree. But we suffer from some of the limitations of a trade association, one of which is that the member manufacturers cannot talk together about their respective price policies, or how they will communicate prices to any class of customer. This may well be a governmental function.

Mr. GROSSMAN. Thank you.

Senator NELSON. I have only a couple of questions, Doctor.

How many companies would you guess meet the stringent quality control procedures that you suggest in your testimony should be followed?

Dr. SLESSER. I wish I knew how many companies there were.

Senator NELSON. I meant in the Pharmaceutical Manufacturers Association.

Dr. SLESSER. How many of the PMA member firms? I would say most if not all of them—most of the time. I do not think any company is perfect.

Senator NELSON. I do not mean that they always get that result, but how many follow a procedure that you approve of as an expert?

Dr. SLESSER. I beg your pardon?

Senator NELSON. You testified very extensively about the kind of quality control procedures that you feel are necessary to produce a quality drug. In your judgment, how many companies in the PMA do you think meet this standard?

Dr. SLESSER. I think most of them do most of the time, Senator.

Senator NELSON. Well, it is not really much of a problem, then, in this country, since PMA member firms produce 95 percent of the prescription drugs sold in this country. And if some of the 5 percent