Foundation Health Plan; Group Health Cooperative of Puget Sound; and the new Blue Cross plan.

As in the case of State programs, these private programs offered a variety of approaches. Some utilized their own pharmacies, and some used community pharmacies. Several used restrictive formularies, while others reimbursed for any prescribed product.

All were financed through monthly dues or premiums.

Major economies in these private plans were found associated with the use of formularies, frequent field audits to determine actual acquisition costs by vendors, and the use of a co-payment or similar requirement. The greatest economies were noted in those programs in which the institution served as the purchaser of the drug products, rather than as a reimburser, and thus could obtain competitive or negotiated bids.

Several of the programs included in this study either urged or required the use of available low-cost chemical equivalents. No significant problems with lack of clinical equivalency were reported.

Foreign Programs

The greatest experience with prescription drug programs has been achieved in a number of foreign countries.