ance, and the relief they obtain through income tax deductions are simply inadequate.

These and other findings point directly to the need for a Medicare drug insurance program, and we have spelled out in great detail the alternatives for the development of such a program. The recommendations of the Task Force related to the Medicare program are now under study in the Departmnt, and I expect that the Secretary will reach a decision on this within the next few weeks. He has not yet had the opportunity to review many of the other recommendations of the Task Force.

In reaching our conclusions, Mr. Chairman, the members of the Task Force were not unaware of the sensitive social and economic issues that are involved in the marketing of prescription drugs. We were aware of the significant price differences between brand name drugs and their generic name counterparts, and of questions that have been raised about their relative efficacy. We also had to consider the profusion of available drugs, including large numbers of combination products and so-called "me-too" drugs, and whether Federal funds should be used to support the market for these and other non-essential drugs. In other words, we had to decide whether the scope of benefits in a Medicare drug program could be restricted without reducing the quality of health care and without depriving physicians of access to valuable therapeutic agents.

Although these and other aspects of the Task Force investigations were all related to the question of including prescription drugs as a Medicare benefit, many of them have much wider significance. One of them that is of particular concern to me, has to do with the explosive growth of drug research, development, promotion, and marketing, and the profound effect this has had upon the use of drugs, and indeed, upon the entire practice of medicine.

In our lifetime, the pharmaceutical industry has become an increasingly complex research and development enterprise. Beginning with research at the turn of the century related to epinephrine and other sympathomimetic drugs, we can trace a continuing series of developments, including vitamins, insulin, the sulfonamides, analgesics, antibiotics, steroids, antimalarials, tranquilizers, antihistamines, and the growing battery of modern chemotherapeutic agents and biologicals. Drug development, production, and sales in the last thirty years have raised the drug industry in the United States from a $300 million to a $5 billion-a-year operation.

The striking growth in the availability of increasingly potent and dramatically effective drugs has done much to increase the effectiveness of the physician in lengthening life and alleviating suffering. At the same time, it has made the pharmaceutical industry, the makers and sellers of drugs, among the most influential members of what has been called "the health team." Its influence has been brought about not only as a result of epochal advances in biology, pharmacology, chemistry, and medicine, but also because of profoundly significant changes in the scope and methodology of drug promotion.

Much has been said in these hearings and elsewhere about the use of advertising and promotion to create a market for new drugs and maintain markets for older ones. The Task Force has expressed similar concerns. Substantially less interest has been aroused, however, by the efforts of industry to mold the attitudes of medical students, medical faculty members, professional organizations, and those who are responsible for large-scale purchase of or reimbursement for prescription drugs, including both public and private agencies.

This problem was highlighted by the recent decisions on the part of students at two medical schools, Western Reserve and Harvard, to return drug industry gifts. These actions clearly reflected the concern of these students about the involvement of the drug industry in programs of medical education and information, because the drug industry is engaed here not only in educating but in selling.

It is through his early medical training that the physician-to-be forms attitudes about the use of drugs, their relative merits, and the function of drug manufacturers as sources of reliable information. In many medical schools it is not unusual for representatives of drug firms to take part actively in physician training as lecturers, consultants, and simply as sources of information. The medical student, under these circumstances, naturally associates drugs with their suppliers as well as with their chemical and clinical properties. And here, Mr. Chairman, is the point at which the strategy of names begins to take on great importance. For it is during his training that the student begins to associate useful medicinal drugs with their trade names as well as, and often in place of, their generic names.