We are a bit amused by acquaintances who will go out of their way to consult a high-priced specialist—and then complain when he gives them a prescription which costs $3.50. The average retail prescription charge is $3.48—on which the manufacturer nets 18 cents. We have made these same statements, perhaps more diplomatically, in earlier "Publishers' Memos." We may be compelled to repeat them again—perhaps even less diplomatically. Our parting plea is this: When you run across what seems to be an outrageous fact concerning prescription drug prices, consider the source, consider that the statement may have been made with ulterior motives—and remember that a bargain basement price almost always bespeaks bargain basement quality.

Now, this is a strong direct plea, really, for the brand-named drugs. But let me recite a case which we have used a number of times before and will continue to use. We could give you a dozen, but this one is based upon the conclusion of the Medical Letter, and it would not be subject to the same kind of attack that another example might be.

But referring to the prices now, a cow for $25 or $250, the Medical Letter of June 1967 published an analysis on prednisone tablets. And referring to the paragraph in here which says:

Our parting plea is this: When you run across what seems to be an outrageous fact concerning prescription drug prices, consider the source, consider that the statement may have been made with ulterior motives—and remember that a bargain-basement price almost always bespeaks bargain-basement quality.

The Medical Letter concluded from testing done by an independent lab and in consultation with clinicians around the country that all these drugs, all 22 prednisones by 22 different companies were therapeutically equivalent. The prices have changed since our hearings on this, but Meticorten, which was the original and most widely prescribed, was $17.90 a hundred to the druggist, and Paracort, $17.88. And it got down to Merck at $2.20, and McKesson at $2.25, down to Upjohn $2.25, and finally to Wolins at 59 cents a hundred. Now, here they are, with a price differential of 30 times. What is your conclusion about that?

Dr. SHAPIRO. Mr. Chairman, I think this committee has won its badge on this particular instance. You were successful in having the prices brought within a range of reality. And I would say nothing to support this 30-times price differential.

Senator NELSON. But the problem that your editorial, which went to about 60,000 physicians, raises is that it tells them the pharmaceutical manufacturers' line. And this is a national refutation of it. This is just one of many examples. I use the Medical Letter repeatedly, since I do not find anybody in the medical profession or pharmacy or pharmacology who does not highly regard the integrity and the quality of the letter. If I used another ekxample they would say "Yes," but Wolins' is no good, or McKesson's product is no good, or they aren't as good as Meticorten. Schering claimed before us, that they respected the Medical Letter, but some were not as good——

Dr. SHAPIRO. In this particular instance I believe that the therapeutical equivalence was proven, not the generic equivalency, of the cheaper products. And I believe that across the country every doctor who has read anything at all in the journals regarding the corticosteroids is aware of this.

Senator NELSON. But the same thing on prices goes across the board. We have lots of examples. When the editorial takes the position that when you run across what seems to be an outrageous fact concerning