doctor prescribes by the brand name, the pharmacist is required by law to give that brand even though the same compound meeting all appropriate USP or NF standards is being sold at a fraction of the price. Brand name prescribing is an important factor in keeping the price up.

As you know, we heard lengthy testimony on prednisone, which varied in price from 59 cents a hundred to $17.90 a hundred to the pharmacist; which is a radical price difference. Yet the Medical Letter said they were all equivalent—all met the same standards.

How do you get around that kind of a problem?

Dr. EDWARDS. Well, I think there is probably no simple answer to solving that problem. Certainly, one of the answers is to better communicate to the medical profession the fact that in today's drug scene the brand names and the generic name drugs that are approved by the Food and Drug Administration are for all practical purposes equal drugs in terms of their potency, uniformity, et cetera.

I think frankly, we have not done enough in communicating this kind of information to the practicing medical profession but I think it has to be done and I think until that message is satisfactorily or adequately conveyed to it, we are likely to have this discrepancy in prescribing patterns.

Senator NELSON. You do not have any evidence that indicates, generally speaking, that between brands and generics, one is better than the other?

Dr. EDWARDS. No. I think in today's drugs, certainly in the case of the antibiotics that are certified by the Food and Drug Administration, we can certainly say there that brand and generics are equal. I think that any drug that goes through the New Drug Application process is equal, be it brand or generic.

I think there are some of the "me-too" drugs that we are coming to grips with via the National Academy of Science drug efficacy study that present a little different problem and we cannot make quite that statement in reference to those drugs, but certainly on all drugs that have been approved through regular processes we can make this statement.

Senator NELSON. You may proceed.

Dr. EDWARDS. Moreover, as the investigations of this subcommittee have shown, the Federal Government is a very substantial purchaser of prescription drugs. We at FDA have a responsibility to do what we can to assure that the Federal purchasers are fully informed about the products they buy.

We do have problems in the use of prescription and nonprescription drugs in this country. It is a serious problem and threatens to become more so if vigorous steps are not taken to correct the basic problem.

Mr. GORDON. Dr. Edwards, may I interrupt? What is the evidence of the existence of these problems? How are they manifested?

Dr. EDWARDS. I am about to allude to some of the problems in my statement. They include the fact that the American public is currently receiving approximately 2 billion prescriptions per year and it is estimated that in 5 years this is likely to increase some 50 percent to over 3 billion prescriptions a year, this figure excludes