

DISCUSSION

Several points clearly emerge from this study of a voluntary agreement between physicians and pharmacists in Charlottesville-Albemarle County, Virginia. The first is that both groups in the community are willing to act jointly to improve prescription practices. Secondly, the potential for prescribing generic drugs is severely limited by the small number available that would provide an economic advantage to the patient. Efforts by some manufacturers to lower prices of brand-name drugs in competition with other brands and generic drugs must be taken into account. Thirdly, pharmacists, at least among those audited, passed savings in cost to the consumer when generic drugs were prescribed.

It must be emphasized that this experiment was conducted in a relatively small community where "town-gown" friction is minimal and communication is good between various groups. Also, since the study drugs made up only a small proportion of total prescriptions, little local control could be exerted over most drugs. In this sense, very little effect should be expected on the average cost of prescriptions in the community. In addition, the manufacturers of tetracycline and corticosteroids provide such a wide variety of proprietary analogues and fixed dosage combinations that it is difficult for the physician to know the relative efficacy of the generically available patent compound.

Despite these limitations, the following forms of voluntary programs could emerge. First of all, other medical societies and pharmaceutical groups can begin to appoint joint committees to consider this prototype plan for their area. This might extend to regional groups established under Comprehensive Health Planning legislation.³ Secondly, local study groups can consider a voluntary community formulary system, perhaps based on a fee system for prescriptions, using the minimum number of variations of each type of drug. Good advice may be obtained from well informed hospital drug and formulary committees. Thirdly, there must be a clear guarantee that generic drugs are equivalent to brand-name prescriptions, both in capsule or tablet potency and in biologic availability as determined in studies in man. Fourthly, there must be evidence that prescription of an approved generic preparation will result in substantial savings to the consumer.

Finally, one of us (C.M.K.) believes that it would be extremely helpful to the practicing physician if every drug advertisement was required, by voluntary action of medical journals and other media, to indicate the average price of the drug to the pharmacist on the basis of small and large purchases of the preparation, of regional differences and of the cost per day of the recommended doses. This proposal must take into account the wide range in prices offered by manufacturers to their various outlets. The price a state institution, hospital or chain pharmacy pays, for example, is usually considerably less than that charged to a community pharmacy. Visibility of drug pricing would permit the physician to weigh cost advantage with claims made for the wide variety of single agents and combinations offered to him.

The members of the Joint Committee of the Albemarle County Medical Society and the Charlottesville-Albemarle Pharmaceutical Association were as follows: Calvin M. Kunin, M.D., chairman; Jesse Cumbia, M.D.; Richard Morris, M.D.; Edward Cawley, M.D.; John Owen, M.D.; George Minor, M.D. (ex-officio); Armistead P. Booker, M.D. (ex-officio); Sam Crickenberger, Ph.G.; Carson Payne, Ph.G.; James Hubbard, Ph.G.; Jacqueline Young, Ph.G.; and J. R. Ponton, Ph.G. (ex-officio).

Senator NELSON. Do you mean that the hospital is attempting to get local communities to adopt, or physicians to use, the Los Angeles General Hospital formulary?

Dr. STEINFELD. They are exploring what the problems would be associated with the introduction of formulary and generic prescription from communities in the southern California area. It is certainly far easier, to do in a single institution where the physicians are full time. There are many problems associated with trying to

³ Jacobs, A. R., and Froh, R. B. Significance of Public Law 89-749: comprehensive health planning. *New Eng. J. Med.* 279:1314-1318, 1968.