

10242 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

Therefore, competition should be encouraged to meet the drug needs of the Defense Personnel Support Center, the Veterans' Administration, and other Federal agencies.

It is reasonable to assume that if drug costs are considerably reduced by fair competition without sacrificing patient care, that more drugs will be available to treat more patients. It is unreasonable to assume that the reduction of drug costs necessarily means ineffective therapeutic response as some Government purchasing agents lead you to believe.

Mr. GORDON. Which ones?

Mr. BARROWS. Specifically, the spokesman for the DPSC, Mr. Max Feinberg.

The propaganda which has evolved from the larger firms that "Chemical equivalency is not clinical equivalency" emanates from the thirst and greed for the revenues of the medicare and medicaid programs, coupled with proposed national health insurance plans, and the drug requirements of Federal purchasing agencies.

It is indisputable that lack of therapeutic equivalence among comparable products conforming to official standards has been demonstrated in only a very limited number of cases.

We are told, in fact, that it has been demonstrated in only 20 drugs, out of literally thousands.

Products such as, Aminosalicic Acid tablets, Nitrofurantoin tablets and oral suspension, Imipramine Hydrochloride tablets, Propoxphene Hydrochloride Capsules, Quinidine Sulfate tablets, Sulfasoxazole and Triple Sulfa tablets, Probenecid when used in conjunction with penicillin, primarily in gonorrhea. Chlorpromazine tablets, Thiazides, Glutethimide tablets, Digoxin tablets, Acetazolamide and diphenylhydantoin capsules. Primidone tablets. Procainamide Hydrochloride capsules, Isoproterenol, Amitriptyline, Hydrochloride tablets, Phenylbutazone and Aminophylline suppositories. As I mentioned before, many of these products are manufactured for the larger companies by the small drug manufacturers.

Mr. GORDON. Excuse me, what is the significance of this list of drugs?

Mr. BARROWS. These are products which the Food and Drug have indicated that there is a question with regard to the bioavailability equivalency of comparable products chemically the same.

In reviewing DPSC, defense medical purchase descriptions, for many drugs one notes that apparently the composers of the specifications are most often the recipient of the contract awards.

Federal Stock No. 6505-104-8672 for meprobamate tablets, 0.4 grams, U.S.P. The defense medical purchase description for this product states the following:

The meprobamate powder used in the tablets shall be in accordance with the tests, standards and requirements of the USP, including any supplements or revisions thereto. In addition, the meprobamate powder shall comply with the infrared spectrum and the chloride limit as set forth in Volume 25, Number 3, pages 88 and 89 of "Drug Standards." The meprobamate powder shall comply with the following additional tests: The residue on ignition, sulfated ash, shall be more than 0.10 percent when determined by the USP method.