tion was obtained from Colorado drug wholesalers. Several months ago it became apparent because of discrepancies among the drug wholesalers regarding the drug prices, that our allowable cost for the drugs should be revised. The average wholesale price as published in the Red Book is presently adopted and utilized in our program, and has met with great success; based upon input from Drug Topics periodical, prices are updated on the drug pricing file to maintain current prices.

OVER-THE-COUNTER DRUGS

The Department does not include over-the-counter drugs as a benefit, with few exceptions. Recently the Colorado Medical Society recommended to the Department that the drug program be changed to allow the physicians to prescribe any drug as an allowable benefit in the drug program, whether prescription legend or over-the-counter. It is extremely difficult to monitor and control over-the-counter drugs, especially for nursing home recipients. Every nursing home recipient is desirous of taking a laxative, an antacid, vitamins, et cetera. Until proper peer review and drug utilization review can be accomplished, over-the-counter drugs will continue to present problems.

There are over-the-counter drug exceptions, such as iron for anemic children, Tedral for the asthmatic child, which the Department is considering for adoption as a benefit.

RESTRICTED DRUGS

There are certain categories of drugs which present inherent problems, namely: amphetamines and vitamins. The Department has adopted the policy that amphetamines, vitamins, and any drugs not listed in the drug formulary should not automatically be allowed as a benefit without prior approval.

This policy is disliked by physicians as well as pharmacists primarily because of the paperwork involved in requesting special approval. The Department feels this policy is a necessary control, and again, until peer review of drugs is established, the policy is an effective control measure.

COPAYMENT

There is no copayment policy in the State of Colorado. Copayment has been considered, and at one time the Pharmacy Advisory Committee strongly urged the adoption of copayment. There are pros and cons for copayment. We feel to administratively monitor the copayment would be a nightmare of bookwork. We feel that some pharmacies would not collect the copayment, and use this as a means of advertising to attract the recipient to his pharmacy. The pharmacist could collect the copayment portion of the prescription and still bill the Department for the full amount of prescription, and it would be extremely difficult for us to monitor such a policy. We feel copayment would encourage overutilization, and some recipients would demand the physician to prescribe larger quantities in order that the copayment would be paid only once.

Arguments in favor of copayment are that the prescription volume would be tremendously reduced. This is quite possible, but we feel our overall objective is to provide quality medical care to the re-