

Dr. PITTMAN. That is right.

I might add one thing, and that is that the implication is that the physicians are all up in arms against this. And I don't believe that is correct. I have talked with some physicians in Michigan, where they have a law, which we examined in the course of this, which we thought was a reasonable law, and also in Florida. And while some of them may find it an annoyance—one used the word "harrassment"—I don't think most of them consider it any problem. Dr. Brush, the president of the Michigan Medical Association said it was not a problem. The headquarters of the Michigan Medical Association has had *one* call about this in the past year which asked about it. But they have had hundreds of calls about malpractice.

So I don't think this is an issue that the doctors are all exercised about. I think when AMA talks in this vein, they are really reflecting the PMA. And this I find offensive.

The CHAIRMAN. Reflecting the Pharmaceutical Manufacturers Association?

Dr. PITTMAN. Yes. I think the AMA should not permit itself to be used that way.

The CHAIRMAN. Thank you very much, Dr. Pittman, for your very thoughtful statement, and for taking the time to come here and appear before the committee.

Our next witness is Mr. Joseph Stetler, president of the Pharmaceutical Manufacturers Association.

The committee is pleased to welcome you back again, Mr. Stetler. And would you identify your associates for the record so the record will be accurate? And then you may present your statement however you desire.¹

STATEMENT OF C. JOSEPH STETLER, PRESIDENT, PHARMACEUTICAL MANUFACTURERS ASSOCIATION, ACCOMPANIED BY BRUCE J. BRENNAN, VICE PRESIDENT AND GENERAL COUNSEL; AND HOWARD L. BINKLEY, VICE PRESIDENT FOR RESEARCH AND PLANNING

Mr. STETLER. With me are Bruce J. Brennan, who is PMA's vice president and general counsel, and on my right, Howard Binkley, who is the association's vice president for research and planning.

The CHAIRMAN. Welcome, gentlemen.

Mr. STETLER. We are here today at your request to discuss the proposed Maximum Allowable Cost drug reimbursement plan that was announced by the Department of HEW in testimony in December 1973, and formally proposed in the Federal Register on November 15, 1974.

Obviously, the previous testimony deals with a different subject, a subject that I did not know was going to be discussed today. But equally obviously, it deals with a subject that involves PMA and myself personally.

Now, I would like either initially, or after we talk about MAC, to discuss this other issue, because I personally have decided by different recollection of some of the things that happened in the de-

¹ See information beginning at page 12330.