

11854 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

acy may involve as many as 250 quality control checks. Necessarily, physician rely on the manufacturers who produce effective drugs of consistent quality and efficacy.

Section III, "Establishment of Cost Limitation," opens with a contradictory statement since the lowest cost drugs cannot be purchased while, at the same time, giving consideration to quality. Responsibility of government to maintain surveillance over costs is recognized and commendable. However, using tax dollars to purchase drugs of doubtful efficacy and purity cannot be construed as economiz. Also, it relegates from primary to secondary importance the well-being of the beneficiaries of federal health financing and service programs.

This section contains the statement, "the MAC (maximum allowable cost) limitation would not apply when a prescriber certifies in writing that only a specific brand of drug is effective for or can be tolerated by a particular patient." It should be recognized that a physician, when he specifies a specific brand name drug on a prescription, he is certifying that the patient should have that specific brand name drug. This is recognized by law in many states. If the physician feels that a generic name will suffice, he indicates as much on the preparation. Any attempt to require the physician to justify his informed professional opinion in writing is demeaning, superfluous and repugnant.

There is a false assumption that significant increases in federal expenditures for prescription drugs are attributable to significant increases in prices for those drugs. It is about time this erroneous conclusion be laid to rest.

Consider the data of the Bureau of Labor Statistics. With a 1967 consumer price index of 100, the March, 1974 index stood at 144.8 while the prescription drugs index stood at 101.5. In that same seven-year period, the number of persons added to the rolls of Medicare and Medicaid recipients increased by hundreds of thousands, if not millions.

Further, there is no overall, established, on-going national mechanism to control over-utilization of these programs on the part of the aid recipients. This is where efforts must be applied if unnecessary expenditures are to be controlled, rather than attempting to control costs by interfering in the ethical, professional responsibility of the physician to provide his patient high quality medical care. Also, to attempt to force a physician to justify in writing his medical conclusions is just another step toward discouraging participation in such programs. The medical profession has seen demands on its time for paper work increase exorbitantly as the direct results of these various programs administered by the federal government.

The proposed regulations also fail to recognize the legal involvements of the physician-patient relationship and the considerable potential for malpractice suits resulting from drug substitution.

Crawford Morris, of Cleveland, Ohio, a nationally recognized malpractice defense attorney, has stated that " . . . it would seem an inescapable conclusion that the