

11934 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

HEW will not compel the pharmacist to dispense a drug at or below the established MAC, but it will reimburse him only at the MAC level. If the pharmacist receives a prescription for a drug priced above the MAC level, in the absence of the physician's written certification, he may (1) refuse to fill the prescription, (2) fill it at a financial loss, or possibly charge the patient for the difference in cost, or (3) obtain the physician's authorization to dispense a cheaper product, the latter being the only really acceptable alternative.

It is difficult to see how the proposed MAC program could operate without placing some pharmacists in the position - unless they decided on the unrealistic course of not participating in any federally supported program - of being faced with the unattractive alternatives of financial hardships or violation of the ant substitution laws. It would be a most unfortunate development if laws now protecting all consumers, including those who pay for their own medicines, were compromised to permit unauthorized substitution in order to make the MAC regulations more workable. A majority of pharmacists, adhering to the long standing ethics of their profession, would not want this.

The long-term result would be to diminish the quality of health care for patients, to interfere with the practice of medicine, and to undermine an important incentive of pharmaceutical manufacturers to develop, for their brands, a reputation for consistently excellent quality and uniform therapeutic effect.

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