

12082 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

The Department would encourage that from a Federal level, drug pricing information comparisons be made available to physicians, so that the physician is able to compare drug prices in considering which is the drug of choice. A list of drugs subject to the Maximum Allowable Cost Reimbursement Policy could be issued by the U. S. Department of Health, Education, and Welfare, to state agencies administering Drug Programs which could be used by the state for consideration, but in no way be mandatory.

It is further suggested that the acquisition cost proposal be optional and not mandatory. Those states presently utilizing acquisition cost should be carefully evaluated as to whether they are actually cutting costs in the Drug Program with a resultant saving. When acquisition cost is utilized as the base drug cost in some third-party drug programs, and the acquisition cost policy is not properly enforced, its feasibility is questioned.

IN SUMMARY, the Department welcomes the proposal for adoption of a Maximum Allowable Cost (MAC), but would recommend that states be allowed to adopt their own Maximum Allowable Costs through their own Pharmaceutical Reimbursement Boards, similar to that presently in existence in the State of Colorado. Adoption of Acquisition Cost, as outlined in the Proposal, should be discouraged, as it is our feeling that any savings resulting from adoption of the Acquisition Cost would be lost from the additional administrative costs required, as well as a resultant increase in the Dispensing Fee. Participation by the Community Pharmacist is encouraged, and in some areas is difficult to obtain. Therefore, adoption of rules and regulations which would hinder Community Pharmacies from participating in the Medicaid Drug Program should be discouraged.