

12072 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

The "Colo^R_x Drug Formulary Committee" was established. This committee's function and responsibilities were to develop the drug formulary. It meets monthly to deliberate on what drugs shall be included in the drug formulary, which drugs should be restricted, what pricing information is recommended, and what maximum allowable price should be reimbursed whenever the drug is available generically.

The other committee is the "Drug Utilization Review Advisory Committee." This committee meets monthly, and reviews individual cases developed by the Pharmacy Section, and recommends to the Department corrective action concerning Drug Utilization Review. This committee reviews those cases of overutilization, corresponds with Physicians, Pharmacists, and County Caseworkers, in an attempt to curtail drug overutilization and abuse.

Colorado has had a Drug Utilization Review Committee composed of one Physician and several Pharmacists for some four and a half years. Several months ago, a second Physician and additional Pharmacists were added to this committee because of the increase in work load. This committee travels from different parts of Colorado at no reimbursement, and spends one-half day monthly with Pharmacy Section personnel reviewing those cases of drug abuse and overutilization which have been developed based on certain parameters: a "Patient