

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 12043

TABLE 1

MEDI-CAL PROGRAM

ESTIMATED EFFECT OF THE RCLP^{1/}
FOR OCTOBER 1972 MONTH OF PAYMENT
USING ONLY PHARMACEUTICALS ON RCLP

EXCLUSIVE ADMINISTRATIVE COSTS

Expected Costs Based on Pre-RCLP Rates	\$2,319,382
Actual Costs	2,150,130
Difference	169,252
Percent Reduction in Total Rx Costs	2.50%
Total Annual Rx Costs	81,700,000

^{1/} Reimbursable Cost List Price a maximum reimbursement
established for the Medi-Cal Program.