

12026 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

Comments on (45 CFR, Part 250) Reimbursement of Drug Cost - Medical Assistance Program (Federal Register, Vol. 39, No. 230 - Wednesday, November 27, 1974)

Comments and recommendations on Maximum Allowable Cost (MAC), actual acquisition cost, and other aspects of the proposed regulations appear in Attachment 1. My comments and recommendations herein are limited to reimbursement for unit dose dispensing.

We respectfully oppose a variable dispensing fee to be paid for drugs furnished to recipients of medical assistance in long-term care facilities by pharmacies employing a unit dose system.

At this time there is not conclusive evidence in support of all the merits attributed to unit dose systems.

We have found that:

1. a more thorough analysis of unit dose systems of drug distribution is needed to substantiate the claims being attributed to such systems; and,
2. unit dose systems are mere drug distribution vehicles which, by themselves contribute very little to improved patient care.

As you know, unit dose systems are being promoted to long-term care facilities on the basis of both cost savings and increased quality of care. Once the long-term care facility accepts the principle, the pharmacy servicing the facility, in many cases, is allowed to purchase the system and to implement its utilization.

It has not been proven to our satisfaction that either claim attributed to unit dose systems has been achieved in any long-term care facility.

For example: "Are the economies realized by paying only for drugs which are actually consumed significant when compared to the cost of achieving such economies?" We have not been convinced that they are.

We also find difficulties in accepting claims of "increased quality of care" resulting from fewer drug interactions in view of the "completely unreliable"* estimates of magnitude and cost of adverse drug reactions being widely circulated.

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