

## 12004 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

OF SUCH PROGRAMS, PHARMACISTS ARE UNILATERALLY TERMINATING THEIR PARTICIPATION BECAUSE IT HAS BECOME ECONOMICALLY IMPOSSIBLE FOR THEM TO CONTINUE IN SUCH PROGRAMS. IF EQUITABLE REVISIONS IN THE PROPOSED IMPLEMENTATION OF THE MAC POLICY ARE NOT FORTHCOMING, APhA CAN ONLY PROJECT THAT PHARMACY PARTICIPATION WILL BE FURTHER REDUCED TO A LEVEL WHICH WILL EMASCULATE THE PROGRAMS INVOLVED. SUCH A RESULT WOULD FRUSTRATE THE OBJECTIVES OF CONGRESS, THE EXECUTIVE ADMINISTRATION, THE STATES, AND CERTAINLY THOSE OF THE PROFESSION OF PHARMACY.

APhA COMMENTS FILED WITH HEW ON THE MAC REGULATION PROPOSALS (A COPY OF WHICH IS ATTACHED TO THIS STATEMENT) CONTAIN A TABLE SHOWING WHAT HAS HAPPENED--OR MORE ACCURATELY, WHAT HAS NOT HAPPENED--IN THE FACE OF SPIRALING INFLATION WITH REGARD TO PHARMACISTS' PROFESSIONAL FEES IN A NUMBER OF STATE MEDICAID PROGRAMS OVER A PERIOD OF SEVERAL YEARS. PHARMACISTS ARE DEMANDING THAT THEY NOT BE FURTHER VICTIMIZED BY GOVERNMENTAL INACTION. THE ECONOMICS OF PHARMACY PRACTICE IN RELATION TO FEDERALLY SUPPORTED HEALTH CARE PROGRAMS HAS BEEN CONTINUOUSLY OPEN TO PUBLIC SCRUTINY AND A CAREFUL LOOK WILL SHOW THAT MANY PHARMACISTS HAVE BEEN DRIVEN TO THE BRINK OF ECONOMIC CRISIS AND OTHERS HAVE FAILED. AT THE SAME TIME, BOTH FEDERAL AND STATE GOVERNMENTS HAVE BEEN PERFECTLY WILLING TO PAY DRUG MANUFACTURERS WHATEVER THEY WISH TO CHARGE FOR THEIR DRUG PRODUCTS.