

12000 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

MINIMIZED. IT IS ABSOLUTELY UNCONSCIONABLE FOR ANYONE TO PERMIT VITALLY NEEDED HEALTH CARE PROGRAMS TO FLOUNDER OR FAIL BECAUSE THE COSTS OF OPERATING SUCH PROGRAMS APPROACH OR EXCEED THE VALUE OF THE DIRECT BENEFITS PROVIDED THE BENEFICIARY--PATIENTS.

IN THIS DAY AND AGE, CLAIMS PROCESSING MUST BE AUTOMATED AND THE NECESSITY FOR TIME-CONSUMING AND EXPENSIVE AUDITING PROCEDURES ELIMINATED. WITH ACCURATE DRUG PRODUCT COST DATA, CLAIM PREPARATION COULD BE REDUCED TO PATIENT IDENTIFICATION, DRUG PRODUCT IDENTIFICATION AND STATEMENT OF QUANTITY DISPENSED. A COMPUTER COULD DO EVERYTHING ELSE. THIS COULD BE DONE EASILY UNDER THE MAC PROGRAM IF HEW WILL DO ONLY ONE THING--REQUIRE DRUG MANUFACTURERS TO TELL THE GOVERNMENT THE PRICES THEY ACTUALLY CHARGE PHARMACISTS FOR THEIR DRUG PRODUCTS. WE HAVE URGED HEW TO REQUIRE SUCH INFORMATION OF ALL MANUFACTURERS AS A CONDITION OF HAVING THEIR DRUG PRODUCTS REIMBURSABLE UNDER FEDERALLY SUPPORTED HEALTH CARE PROGRAMS. IT IS DRUG MANUFACTURERS' RESISTENCE TO PROVIDING THIS INFORMATION--FOR WHICH THEY ARE THE ONLY DIRECT, IMMEDIATE, AND RELIABLE SOURCE--WHICH THREATENS THE MAC PROGRAM AND, ALONG WITH IT, THE VERY EXISTENCE OF THE MEDICAID PROGRAM, OTHER HEALTH CARE PROGRAMS, AND A PHARMACEUTICAL SERVICE BENEFIT AS A PART OF A NATIONAL HEALTH INSURANCE PROGRAM.

AT PRESENT, THE FEDERAL GOVERNMENT IS, IN EFFECT, BUYING DRUG PRODUCTS WITHOUT KNOWING IN ADVANCE WHAT IT WILL HAVE TO PAY FOR THEM. THE FEDERAL GOVERNMENT DOES NOT BUY TYPEWRITERS