

11960 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

A number of physicians felt that the regulations would interfere in the practice of medicine and would create a second and lower class of medicine for beneficiaries of public programs. We disagree on both points. First, the proposed regulations make clear that any physician will be able to order a drug priced above the MAC limit simply by certifying its medical necessity. The present language requires the prescriber to certify that the requested brand "is the only brand which can be tolerated or will be effective" for a given patient. Many physicians have indicated this is impossible to do without testing all other brands. We believe this objection has merit and we are considering alternative language.

The argument that lower costs imply second class care runs directly counter to the well defined trend toward increased generic prescribing by physicians, to the increased participation in the generic drug market by major brand name firms, and to the broad substitution authorities granted by hospital staffs to hospital pharmacists. A recent study published in the American Journal of Hospital Pharmacy revealed that over two thirds of the brands dispensed in surveyed hospitals were selected by pharmacists, not physicians.