medical journals. Such mechanisms would be more useful, more informative, and less rigid than the national price guide contemplated in the proposed regulation.

2. Drug Quality Information

A necessary corollary to the dissemination of price information is a better understanding of the credentials of manufacturers and the quality of their products. Experience has shown that physicians prescribe and pharmacists dispense lower cost products when they are aware of material price differences, and when they have confidence in the reliability of the lower priced suppliers.

Accordingly, we propose that physicians and pharmacists receive, on a regular basis, pertinent information such as: (1) the names of companies inspected by FDA within the previous twelve months; (2) reports of companies disapproved as suppliers under federal agency drug procurement programs; (3) recall records by company, noting the nature and seriousness of each recall and stating whether it was initiated by the company or by FDA; and (4) information on the level of testing done by the manufacturers on the products on the MAC list, as indicated by a New Drug Application, an abbreviated NDA, other evidence, or nothing at all.

3. Peer Review of Drug Utilization

The principle of peer review is well established in medicine and pharmacy. Recently, the principle was incorporated in the Health Maintenance Organizations Act of 1973, which specifies that an HMO may "maintain, review and evaluate. . .patterns of drug utilization to assure optimum drug therapy". Similarly, a provision of the 1972