

February 1st 7601
DEPARTMENT OF HEALTH,
P.O. BOX 5013,
WELLINGTON

12 September 1974

CLINICAL SERVICES LETTER NO. 141

TO MEDICAL PRACTITIONERS AND DENTISTS

RISING COSTS!

Dear Sir/Madam,

Expenditure on pharmaceutical benefits has increased alarmingly.

In the 4 months April to July it rose by 16.2 percent as compared with the corresponding period last year. Prescriptions increased in number by 4.3 percent, and the average cost rose by 11.5 percent.

If present trends continue, the cost for the full year will be about \$5 million beyond the estimates and allocation. This is especially disturbing at a time when Government departments are being urged to limit expenditure.

The department's policy is to reduce restrictions, not to increase them. Drastic measures should not be necessary if everybody will do his share.

We appeal to prescribers to exercise the greatest possible care, especially in the next few months.

- Do not order more than is needed.
- Is more than one drug really necessary?
- Seven days' supply (or less) if that will do.
- Extended supplies only when actually required.

Remember: By and large, the newer a drug is, the more it costs, and the less we know of its drawbacks.

We trust we can count on your personal co-operation.

Yours faithfully,



(A. W. S. Thompson)
Director,



(A. H. Paul)
Assistant Director,

Division of Clinical Services.