

venience to the public. It must be borne in mind, however, that the code of ethics which we have adopted covers both phases of the pharmacist's work.

When one reads the codes of ethics of various business men's organizations, such as the Rotary, Kiwanis and Lions Clubs, one gets a clear insight into the manner in which business men in general are striving to place commerce and trade on a higher plane. The old adage "caveat emptor" is no longer the maxim of business. Perhaps the fact that business men are striving to do things on a higher ethical basis is not wholly unselfish but it has had the effect of making it impossible for any organization to exist very long to-day which does not give either in goods or in service a dollar's worth for every dollar it receives.

In pharmacy, more so than in any other line of work, there lies an opportunity for leadership among business men in spreading the gospel of a greater service relation between those who buy and those who sell.



Left—Apothecary's Indenture, 1776, of Thomas Boulter, 9th apothecary of Pennsylvania Hospital, 1773. Right—Contract of Pennsylvania Hospital with Continental Army for Use of "Elaboratory," in 1778.—From "History Pennsylvania Hospital"—former, p. 480; latter, p. 62.

PRESCRIPTION PRICING.\*

BY FRED W. AMES.

What shall I charge for this prescription? This is a question I have heard in my own and many other stores. Why that should be is more than I can understand.

\* From a paper read before the Section on Commercial Interests, A. Ph. A., Cleveland meeting, 1922.

Prescription pricing, like prescription dispensing, is a science acquired by years of application and experience—knowing the cost of materials that enter the combination, comprehension of the value and knowledge of the time required in the compounding of the prescription, etc. There is no fixed rule; time required for dispensing can be figured to a nicety; prices of chemicals and pharmaceuticals fluctuate and, therefore, the cost should be calculated before pricing the prescription. The customer appreciates such care, he has assurance that there is no guesswork in pricing or compounding. Many pharmacists fix prices according to quantity without consideration of the cost or dosage—under such a plan the prescription which is supposed to yield a profit often constitutes a loss, and in the department where profit should bear a relation to professional service.

The prescription may be represented by a triangle—the patient, the physician and the pharmacist. The patient is the one benefited, and the one benefited always pays the price; incidentally, history has proved that the rich and well-to-do pay for the poor—a good point to remember.

The practice of medicine has more subdivisions to-day than ever before—the family physician or general practitioner, the surgeon, the specialist and the consultant; here we have four classes who charge according to different schedules—another good point to remember. The charges made by the pharmacist should have some relation to the professional service rendered.

The old pricing methods are wrong, they always were, never more than to-day. For convenience the work of the prescription department may be divided as follows: capsules, powders, cachets, pills, pill capsules, solutions for internal and external use, bulk powders, dusting powders, suppositories, ointments, and special surgical solutions. Narcotics require the same amount of work as other prescriptions, equal or greater care in compounding and the keeping of records. Prescriptions for alcoholics will not be considered.

The first step in dispensing is the selection of the container, representing the first cost—powder box, screw-cap vial, label, vials up to and including the 4-ounce size, up to 2-ounce ointment jar, dusting powder boxes, etc.—the cost will average, including breakage, about 10 cents; larger containers average from 15 to 25 cents—these costs bring no direct profit and, therefore, due allowance should be made when pricing prescriptions. Taking, for example, an ordinary 12 capsule prescription for which I charge \$1.25 and up—the container costs 10 cents, the twelve capsules 5 cents, the ingredients average 15 cents—the gross profit will be 95 cents; for the \$1.25 charge the ingredients should not cost over 25 cents. For powders I calculate along the same lines. For cachets I figure on from 15 to 25 cents each—25 cents when under six and 15 cents when twelve are ordered. The charge for ordinary combinations of pills in quantities of ten or under, 10 cents each; fifteen to twenty, 8 cents each; up to thirty, 6 cents each; up to fifty, 5 cents each; one hundred at 4 cents each. For pill capsules I make a flat extra charge of \$1.00 per hundred in such quantities. For solutions for internal medication to be given in teaspoonful doses my charges are as follows: 1 ounce, 50–85 cents; 2 ounces, 85 cents to \$1.25; 3 ounces, \$1.25 to \$1.65; 4 ounces, \$1.35 to \$2.00. 6 to 8 ounces, \$1.50 to \$2.50; pints \$2.50 to \$5.00. Solutions for external use average less, up to about \$3.00 per pint, and special surgical solutions, with little medication, \$2.00 per quart, and upwards.

Dusting powders are dispensed in sifting boxes, the minimum charge is \$1.00. Careful dispensing of ointments requires considerable time and we charge for  $\frac{1}{2}$  ounce, 75 cents to \$1.25; 1 ounce, \$1.25 to \$2.00; 3 and 4 ounces, \$1.00 per ounce.

Narcotic prescriptions not less than \$1.00; six capsules average \$1.25, twelve capsules average \$1.50 to \$2.00;  $\frac{1}{8}$ -grain hypodermic of morphine, \$1.25 per tube;  $\frac{1}{4}$  grain, \$1.50 per tube, etc. Lead and opium washes, usual strength, not less than \$2.00 per pint.

My charge for suppositories is 50 cents each in quantities of half dozen or \$5.00 per dozen. My suggestion to those who believe this to be an overcharge is that they time the work of the next prescription for suppositories.

Concentrations, drop dosage, bring prices governed, in a degree, by the patient—for saturated solution of potassium iodide, for example, we charge \$1.25 per ounce, and 10 cents is added for a dropper. The prices for prescriptions for beautifiers, restorers and the like, are based on the intended purpose and the individual.

Patients who can or do afford medical service requiring specialists who exact large fees should be willing to pay for the best pharmaceutical service and, hence, my charges are not infrequently subject to conditions and not to fixed prices. Serums and other related products are dispensed at prices which afford a profit to me, making due allowance for money invested, frequency of sales, etc.

Prescription work requires not only skill and knowledge, but carries with it responsibilities—no reasonable charge can be too high, for the smallest error may seriously injure the business and a grave one is almost certain to destroy it—all of these considerations are to be taken into account with the stock and fixtures of the department and the expense of service connected with it. My advice to a druggist is—if he has not the courage to exact commensurate prices for prescription work—to discontinue the prescription department; there are other sales that can be made with profit without the responsibilities that obtain in the former. In my opinion the prescription department is comparable to the fire and police departments of a city, involving necessary expenses for the good of the community. Some say that it is personality which enables me to ask the higher prices, others that it is due to a wealthy clientele—I contend it is because my prices are just and right and the services are the very best that I am capable of rendering. Those who buy luxuries do not begrudge the prices paid; why should not the more important and necessary pharmaceutical service be adequately paid for? It will be—but the pharmacist must not lack in sincerity or assurance that his service is worth the price.

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#### ADVERTISING NOT A COST FACTOR.

A recent editorial of the *New York Commercial* concludes:

"In almost every line of manufacture, the dominant factors are those who use advertising as business insurance and as the most economic method of gaining wide and steady distribution. A great many more business men would be using advertising to their advantage if they would clear their minds of the notion that it is not wise to use a certain

percentage of the gross receipts of their business to advertise. On the contrary they should regard the matter of publicity as necessary and not as a superfluous cost. Inadequate advertising, badly prepared and placed in ineffectual mediums most certainly would represent not only cost but loss. There is just as much difference in properly conducted advertising and the haphazard kind as there is between careful manufacture and slipshod production."