

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 17019

DEPARTMENT OF DEFENSE,
ASSISTANT SECRETARY OF DEFENSE,
Washington, D.C., January 22, 1979.

Hon. GAYLORD NELSON,
Chairman, Select Committee on Small Business,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: In your letter to the Secretary of Defense dated January 8, 1979, you requested information on the usage and disposition of the drug Darvon and other preparations containing propoxyphene within the Department of Defense. We are unable to provide all of the data requested in questions 2 and 3. In instances where data are not provided, accounting records are not maintained individually by category of drug; therefore, the retrieval of requisite information is inordinately expensive and time consuming. If the committee believes the excluded data to be absolutely necessary for its hearings, we will make every effort to assemble the additional information. However, the following is provided pursuant to your request.

a. NSN 6505-00-890-2024 Propoxyphene Hydrochloride, Aspirin and Phenaglycodol Capsules (Darvon-Tran), 500s was standardized in December 1964, reclassified to terminal status in January 1971 and deleted in August 1974.

b. NSN 6505-00-913-7907 Propoxyphene Hydrochloride, Aspirin, Caffeine and Phenacetin Capsules (Darvon Compound-65), 100s was standardized in September 1965, reclassified to terminal status in March 1971 and deleted in June 1971.

c. NSN 6505-00-784-4976 Propoxyphene Hydrochloride, Aspirin, Caffeine and Phenacetin Capsules (Darvon Compound-65), 500s was standardized in January 1965, reclassified to terminal status in May 1971 and deleted in December 1971.

d. NSN 6505-00-958-2364 Propoxyphene Hydrochloride Capsules, USP, (Darvon), 65 mg, 500s was standardized in January 1965 and recommended for reclassification to terminal status in February 1971. However, this item was not deleted since two services recommended retention. The item was retained since Propoxyphene Hydrochloride, 65 mg was never declared ineffective in a 65 mg dose and is considered by many physicians, both military and civilian, an effective analgesic and alternative to Aspirin for patients unable to tolerate Aspirin, such as patients with gastrointestinal disorders, i.e. peptic ulcers.

e. Any commercially available analgesic may be and probably is being purchased and used instead of these deleted drug products. Enclosure (1) provides a listing of all oral analgesic tablets and capsules currently standardized which are possibly being used in place of the deleted items.

f. Though not specifically requested one other Propoxyphene containing analgesic was also deleted. NSN 6505-00-725-6992 Propoxyphene Hydrochloride Capsules, USP, (Darvon) 32 mg, 500s was standardized in January 1965, reclassified to terminal status in July 1970 and deleted in October 1974.

g. Enclosure (2) provides a list of all drug products containing Propoxyphene currently in the Federal Supply Catalog. These products are identified by NSN, generic name and trade name. Date of standardization is also noted.

h. The amount spent by DoD for preparations containing Propoxyphene for each year since fiscal year 1970 is not available. However, for fiscal year 1977 and fiscal year 1978 the amounts were \$526,050 and \$359,690 respectively.

i. The proportions of Defense drug procurements purchased centrally and locally by the individual services are not readily available. This information is normally reported only as total medical supplies purchased from standard stock and open (local) purchase; drug purchases are not normally reported separately. Only the Navy has actual figures available on drug purchases and these are limited. For 17 Naval Regional Medical Centers, during the July-September 1978 period, 75 percent of drug purchases were from standard stock and 25 percent were from open purchase. For the Army to obtain this data would require a special report and extensive effort for Army medical activities worldwide. From the purchases reported for all medical supplies, the Air Force was able to extrapolate the drug portion and estimates 84 percent of drug purchases were from standard stock and 16 percent were from open purchase.

I trust this information will satisfy your requirements.

Sincerely,

VERNON MCKENZIE,
Principal Deputy Assistant Secretary.

Enclosure.