

3836 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

Table 1

ESTIMATED FEDERAL EXPENDITURES FOR
PRESCRIPTION DRUGS
(Fiscal Year 1967)

Direct Purchase	(million)
Department of Defense	\$ 111.0 <u>a/</u>
Public Health Service	4.1 <u>b/</u>
Veterans Administration	39.5 <u>c/</u>
Federal Supply Schedule Contracts	6.2 <u>d/</u>
Total Direct	\$ 160.8
Reimbursement Programs	
CHAMPUS	\$ 0.2
VA Hometown Pharmacies	2.9
Public Health Service	0.7
Medicare In-Hospital	230.0 <u>e/</u>
Medicaid	96.5 <u>f/</u>
Total Reimbursement	\$ 330.3
Total all Federal Drug Expenditures	\$ 491.1

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- a/ Includes \$92.4 million purchased through Defense Supply Center Philadelphia, Pa. and approximately \$15.7 million purchased through Federal Supply Schedule Contracts; remainder purchased locally.
- b/ Includes \$1.3 million purchased through PHS Supply Service Center, Perry Point, Md., and \$2.8 million from other sources including the Veterans Administration.
- c/ Includes \$14.6 million purchased through Federal Supply Schedule contracts administered by VA for General Services Administration.
- d/ Includes purchases for miscellaneous Federal agencies.
- e/ Includes \$115.0 million for overhead drug expenses of hospitals and extended care facilities.
- f/ Includes other Federally-supported State Public Assistance Programs; excludes \$85.5 million, which was the State portion of the total drug program expenses.