

formularies are used as guidelines rather than prescribing limitations, since non-formulary drugs may also be prescribed.

Chemical equivalent drugs are widely used where available.

In addition, the VA Hometown Pharmacy Program provides out-of-hospital prescription drugs to eligible beneficiaries, generally those with service-connected disabilities. The hometown program, which involved an expenditure of \$2.7 million in 1967, provides for reimbursement to pharmacies on the basis of acquisition cost plus a dispensing fee. No formulary is used in this program, and no deductible or co-payment is required.

Office of Economic Opportunity. Through its Neighborhood Health Centers, OEO provides pharmaceutical services for about 800,000 persons in 44 programs.

Eligibility requirements vary but generally are based on a "poverty line" schedule, on Medicaid standards, or on other guidelines established by the community. Each center makes its own determination about the use of a formulary. No deductible or co-payment is required.

Several of the centers provide direct drug services in their own pharmacies, while the others provide for