

Your staff has expressed interest in our policy toward the use of combination drugs. It is our policy to discourage the use of these drugs. We do not prohibit their use when the prescribing physician determines that a combination drug is required for his patient. It is noteworthy that over 86 percent of the expenditures in our central drug program were for single entity drugs during a period when the combination drugs were enjoying an increasing share of the national market.

We, of course, continually monitor our drug program to guard against use of drugs producing previously unsuspected adverse reactions. We participate in the Food and Drug Administration's adverse reaction reporting system, both providing and receiving data from them on a regular basis.

Information on adverse reactions is promptly disseminated to our hospitals and clinics and drug recalls handled through a system of double safeguards.

In addition to the notifications provided through the FDA drug recall system, we also inform our stations on those items which are standardized for our use.

There have been several instances lately where either the safety or effectiveness of specific drugs have been called into question prior to actual suspension or recall. We alert our hospitals and clinics to these by special announcements, telegrams, or other prompt notifications. If these items are procured through our central procurement program, we either discontinue procurement or purchase minimum quantities to meet only immediate needs pending resolution of the controversy.

The decision as to continued use of a product under special review is left to the prescribing physician, but with the assurance that he is fully informed of any findings about the possible continued marketing of the drug.

There is widespread evaluation under organized and controlled studies in the Veterans' Administration into the uses of and efficacy and safety of drug products. In addition to these organized individual and cooperative studies, there is continuing evaluation in the everyday practice of medicine by our staff of 5,000 physicians. The dissemination of the knowledge from these sources has continually contributed to the improved health care not only of veterans but the entire Nation.

Several major medical breakthroughs, such as the chemotherapy used in treatment of tuberculosis, either originated in our Veterans' Administration medical research or were possible because of our cooperative ventures with medical and pharmacological inquiries initiated by others.

Turning to our procurement practices, I would like to again emphasize that the question of selection of which specific drugs will be procured is a professional and not an administrative decision. The responsibility of our procurement staff located within the supply organization is to purchase the drugs selected for use at the lowest cost, to assure their distribution to our pharmacies in an efficient and timely manner and to provide quality control and inspection processes during manufacture needed to insure that drugs