

leprosy. In addition, the Service conducts clinical research at the Clinical Center, National Institutes of Health and research on narcotic addiction.

The scope of health care services provided includes prevention, early diagnosis, treatment and containment of disease and rehabilitation to enhance recovery conditions.

The Service has accredited training programs for physicians, dentists, nurses, pharmacists, medical record librarians, practical nurses and other health personnel.

Mr. Chairman, we have furnished the committee tables giving detailed information about the drugs purchased in fiscal years 1968 and 1969.

In fiscal year 1969, the Public Health Service purchased over \$6 million worth of drug products of which 53 percent was obtained through the Veterans' Administration, 32.8 percent from drug companies having contracts under the Federal supply schedule, 5.6 percent from the Military Defense Personnel Support Center, 3.6 percent by competitive bidding and the remaining 5 percent was purchased locally or from sources without contracts under the Federal supply schedule. The General Services Administration which is generally responsible for nonmilitary Government procurement, has delegated the responsibility to the Veterans' Administration for drug procurement.

Our goal is to secure quality drugs for use in the PHS installations at a reasonable price. Further we want the drugs to be employed rationally in patient treatment.

There are a number of ways in which drugs can be employed irrationally. The Task Force on Prescription Drugs in our Department, which reported on a number of drug matters in February of last year listed a number of kinds of irrational prescribing as follows:

The use of drugs without demonstrated efficacy.

The use of drugs with an inherent hazard not justified by the seriousness of the illness.

The use of drugs in excessive amounts, or for excessive periods of time, or inadequate amounts for inadequate periods.

The use of a costly duplicative or "me-too" product when an equally effective but less expensive drug is available.

The use of a costly combination product when equally effective but less expensive drugs are available individually.

The simultaneous use of two or more drugs without appropriate consideration of their possible interaction.

Multiple prescribing, by one or several physicians for the same patient, of drugs which may be unnecessary, cumulative, interacting, or needlessly expensive.

There are a number of steps being taken within our Department which are designed to improve the use we make of drugs:

We distribute to the various drug purchasing stations the results of the National Academy of Sciences-National Research Council drug efficacy studies as they are released by the Food and Drug Administration. These reports go out by mail in most cases, but where there is a hazard to health, the messages will be forwarded by telephone. For example, the Food and Drug Administration's conclusions on Panalba and earlier conclusions with regard to Chloromycetin were telephoned to the purchasing offices.

Then we rely upon the clinicians and their associates at each hospital (or group of hospitals in the case of some smaller installations) to determine what drugs are required at each installation for good medical care. Each installation has a committee called the "Pharmacy and Therapeutics Committee" whose function, among other things is to select the drug products to be stocked at that installation and list them in a formulary which guides the purchasing agent as well as the prescribing physicians. In this way, we believe the best therapeutic agents available are secured and we are able to avoid unnecessary purchase of duplicate drugs having essentially the same pharmacological action. I attach guidelines for the Pharmacy and Therapeutics Committees consistent with those recommended by the American Society of Hospital Pharmacists and the American Pharmaceutical Association. These guidelines have been distributed in our Indian Health Operating Manual to the hospitals serving the Indians and in the Division of Hospitals Operating Manual to the other hospitals.

If in a particular case, especially an emergency, a nonformulary drug is required, it is obtained on the open market. But the formulary does greatly re-