

This concludes our formal statement, Mr. Chairman, but we are suggesting in this last paragraph essentially that the Food and Drug Administration be considered as the type of clearing house to which you refer.

Senator NELSON. That is, that the results of all inspections of other agencies be routinely referred to the Food and Drug Administration.

Mr. STAATS. And that can serve as a central repository of this type of information.

Senator NELSON. How many plant inspectors does the VA have?

Mr. AHART. They have two pharmacists basically, that do the inspection of the plants, Mr. Chairman. They also, as I think the Comptroller General pointed out, draw upon the facilities of the FDA to do the product testing for them. So, it would be the two VA inspectors plus whatever use they make of the Food and Drug Administration facilities.

Senator NELSON. I take it the Veterans' Administration's inspections are not general. They are aimed only at a specific contractor who proposes to supply them, is that it?

Mr. AHART. They make an initial inspection of a plant for every prospective contractor and they also reinspect existing contractors from time to time. I am not sure what that cycle is. I think it is somewhere around 3 to 5 years.

Senator NELSON. How many inspectors does DOD have?

Mr. AHART. I am not sure we have the breakdown on that. As the Comptroller General mentioned, they have got about 80 people involved in the testing and inspection functions.

As to how many of these actually perform the plant inspections as opposed to performing the drug testing functions, I do not think we have that split.

Senator NELSON. Then, with three agencies inspecting and practically no exchange of information, there is no way of one agency knowing whether the other agency may have recently inspected the plant they propose to inspect now, is that right?

Mr. AHART. That is correct, Mr. Chairman.

Mr. GORDON. On page 9 you stated that the VA and DOD should combine their purchases of drugs which they both buy. Do you see any objections to including other Government agencies like the Public Health Service?

Mr. STAATS. No. We would not see any objection to that. The Public Health Service currently buys, as I understand, about half of their drugs through the VA system but we would not see any objection, certainly.

The volume in the case of PHS is significantly less but that does not really detract from the conclusion that it would be probably a good idea.

Mr. GORDON. The States and municipalities are having great difficulty in getting enough funds to provide necessary services. Now, the figures that we have show that the States and municipalities pay considerably more for drugs than either the VA or DOD. Is that your understanding, also?

Mr. STAATS. I do not have any figures as to the total volume of State and local government drug procurement. The subject is one that needs a lot of study.