

stock system may not be included in the items identified for review and evaluation. This possibility could be removed and the reporting system improved by the use of standard criteria by the three services.

The Veterans Administration's primary source of information in its continuing effort to capture data on drug usage outside of its central stock system is a quarterly drug report based on reports from each of its medical facilities. This report is characterized by the Veterans Administration as an important tool in the management of its drug program and shows all procurements from sources other than central stock. The Veterans Administration uses this report to identify drugs which qualify for inclusion in the central stock system.

We believe that the Veterans Administration could make its comprehensive report more useful by requiring more uniform adherence to its regulations on reporting nomenclature and by providing for the compiling of certain summarizations and exception reports which would make the identification of drugs for central stock management much easier.

Also, available data indicates that the Veterans Administration and the Department of Defense could take advantage of higher quantity drug procurements which could possibly result in lower prices by combining their needs for procurement purposes. For example, the Veterans Administration contracted for 1,404 units of Lincocin at a unit price of \$22.30--five days later the Defense Personnel Support Center contracted for 4,464 units of the same drug from the same manufacturer at a unit price of \$19.95. In another instance the Veterans Administration contracted for 3,000 units of Tylenol at \$6.14