

work this out but they, too, as the areas that Mr. Brands described, are experiments with models to see what the problems are in trying to carry it through.

Senator NELSON. One of the obvious among many problems, is that the hospital can procure the drugs for its formulary as a substantial buyer, with the knowledge that the compound will be prescribed. In the retail marketplace, on the other hand, you may prescribe generically and end up with a brand name because the brand name is a popular one and so you have not gained anything.

Dr. STEINFELD. This certainly can occur. There is a problem of education of physicians, education of pharmacists, and a whole series of working relationships that must be carried through.

Senator NELSON. With respect to these two experiments in Virginia and Delaware, were they locally initiated or were they initiated from some other source?

Mr. BRANDS. Those were locally initiated, sir.

Senator NELSON. So here you are talking about initiating a model project yourself; is that it?

Dr. STEINFELD. Well, the Los Angeles County one would be locally initiated, too, but what we try to do is stimulate the communities to initiate such experiments in delivery.

Senator NELSON. How long has that Virginia project been underway?

Mr. BRANDS. As I recall, it was just about 2 years ago when it was started. This was the beginning, the planning stage. Now, how long it has been in operation, this I would have to find out and let you know.

Senator NELSON. You do not have any reports?

Mr. BRANDS. No, sir.

Senator NELSON. Where is it being done in Virginia?

Mr. BRANDS. I believe it is Richmond.

Senator NELSON. In association with the Medical College at Richmond?

Mr. BRANDS. I do not believe the Medical College is involved. It may be as an adviser but the Pharmacy Association and the County Medical Society were the organizers.

Senator NELSON. But you say your role is to induce this kind of experimentation? In what way? How will you do that?

Dr. STEINFELD. Well, there are a number of medical schools or county medical societies interested in the problem in association with pharmacy groups and pharmacists and we, through the Department's interest in the same problem, informed these groups that funds are available for such kinds of experimental programs. In this way I think we can encourage them, help them to complete funding applications, tell them what problems we know about, what problems people who have attempted to do this in the past have encountered.

So it is kind of a mutually reinforcing activity. There are a number of places in the country in addition to those Mr. Brands mentioned which are interested in carrying out experiments of this type.

Senator NELSON. Please proceed.

Dr. STEINFELD. Thank you.