

We are going to be purchasing relatively few of these and we certainly will require within the very near future adequate evidence that they indeed do work.

Senator NELSON. The probably effective classification category has 1 year? Is that it?

Dr. STEINFELD. Yes, sir.

Mr. GORDON. Does HEW buy or pay for Peritrate in any of its programs?

Dr. STEINFELD. I cannot answer that.

Do you know, Mr. Brands?

Mr. BRANDS. We had none reported in our list. The purchases may have been so small, however, that it was not recorded. It was not picked up in our search of the purchase orders.

Mr. GORDON. You would not know if you are reimbursing for it, either?

Mr. BRANDS. We would not know if we were reimbursing for it.

Mr. GORDON. Dr. Edward Freis, Senior Medical Investigator at VA Hospital here in Washington, told us that the controlled studies indicated that Peritrate is not effective compared to a placebo. So apparently he regarded that as an ineffective drug.

Would that be in the same class as the other ineffective drugs judged by the National Research Council and you would refuse to reimburse for that drug?

Dr. STEINFELD. I would have to look that one up specifically, Mr. Gordon, but if it fell in those categories, possibly effective, effective, we would refuse.

Mr. GORDON. It was not reviewed by the NAS-NRC?

Dr. STEINFELD. Peritrate was not?

Mr. GORDON. No.

Dr. STEINFELD. We will have to—maybe it was after, developed after 1962.

Mr. GORDON. I think it could have been developed before 1938.

Dr. STEINFELD. Before 1938?

Mr. GORDON. I do not know. It might have been.

One more question. What steps have you taken since you appeared here in August to buy more competitively?

Dr. STEINFELD. I am afraid I did not hear you, I am sorry.

Mr. GORDON. Since your appearance here in August, what steps have you taken to buy drugs on a more competitive basis?

Dr. STEINFELD. Mr. Brands is our purchaser.

Mr. BRANDS. Our steps taken at the HSMHA Supply Service Center at Perry Point, are really the same as they have been—to request bids for the drugs that are purchased other than those that are purchased from the Department of Defense in Philadelphia.

We have 102 companies that are on the bidding list at the Supply Service Center. They do put a notice in the trade journals that they will receive bids from companies interested in bidding on pharmaceutical products. Such companies should notify the Supply Service Center at Perry Point, Md.

Now, of the 102 companies that are on the bid list, there are 53 that are in the small business category and 49 classified as large businesses.