

Senator NELSON. But what do you say to the therapeutic committee? Do you say this is listed as "possibly effective" and there is an effective drug that is available for the same purpose, therefore, we will not pay for any possibly effective drugs?

Mr. STATLER. No. Of course, they will have that information or arrive at a decision which one they will use. However, it should be clearly understood, and I am sure you understand that, FDA in this listing is going to have some difficulty because not all drugs are in black and white or in a gray area. Some of them have a classification of effective for this but not for that, possibly effective for this condition and not for that, and in some instances ineffective for certain conditions, so that total information is going to have to be provided to all physicians and, of course, to our therapeutic committees so they will take necessary action.

An example would be a drug might be on the possibly effective list for a certain condition but ineffective for something else, so they will hope the physicians would prescribe it only for the effective use.

Senator NELSON. Well, I would, too.

Mr. STATLER. I would, too.

Senator NELSON. If a drug is listed and published by the NAS-NRC and the FDA as "possibly effective" for a specific purpose, and there is an alternative drug that the NAS-NRC says is effective, will you direct that VA physicians use the effective one and that you won't pay for the possibly effective one? That is my question.

Mr. STATLER. I would think that this peer review will certainly settle that question. They will be looking at all angles, at all information available, and will be making decisions based on this.

Senator NELSON. Peer review within the hospital?

Mr. STATLER. By these knowledgeable individuals composing the therapeutic committees.

Senator NELSON. When you were here in August you said that you had great difficulty influencing the therapeutic committee at the local level because these doctors just came in for 2 or 3 years and didn't like to be dictated to. So what you are really saying is—even though this is an effective drug, as demonstrated by well-controlled clinical trials, and there is one that is listed "possibly effective" for which there haven't been well-controlled clinical trials, that you will permit them to put the possibly effective on the formulary even though there is an effective one for exactly the same purpose, and that you will pay for it? Or rather that you will let the local group decide that question?

Mr. STATLER. No. There will be a monitoring, there is a continual monitoring of what is going on in our committees from our central office staff. Any drug that is going to be approved for formulary inclusion is monitored. Obviously anything on the possibly effective list or certainly on the ineffective list, if by chance or error they decided they were going to approve it, we would contact them about something else being available.

Senator NELSON. A few moments ago I understood you to say that this question of using a possibly effective and effective drug would be decided by the local formulary group at the hospital.