

Mr. WHITWORTH. We depend on the therapeutics committee to select the drugs that are to be stocked, sir, and we make no professional judgments.

Dr. WELLS. They make no professional judgments, we do—I mean the purchasing staff doesn't.

Now, Dr. Haber, you wanted to add something.

Dr. HABER. I would like to point out a function of these therapeutics committees at the local level. They exercise a parsimony, if you will, of additional drugs to their formulary because they have to live within a budget. The local station people recognize when they meet that if they prescribe more effective drugs, this has the effect of reducing the amount of therapy that they can administer to our veteran patients. They can't regard this as an open-ended procedure under which they can introduce new drugs ad infinitum without regard to the expense. So there is a very disciplined effort there, and the whole structure of these therapeutic committees is to match the greatest therapeutic effectiveness with the greatest economy, and this is under surveillance of the central office committee which has the same discipline in effect.

Senator NELSON. Well, I still don't know how that would be done at the local level. If you have a selection of drugs that all have the same alleged therapeutic effect and all have passed the same standards, but there is a great variety in their price, and then the doctors at the local level simply believe that a particular brand name is much better though it costs much more, how do you handle that?

Dr. HABER. Sir, this is not in accordance with our procedures. You see, the people who are on the therapeutics committee include the pharmacist, and the chief of staff in the station who are intensely aware of the cost of drugs and part of the substantiation for new drug requests that Dr. Wells mentioned relates to the cost. If a physician at a hospital, the chief of the gastroenterology service, let's say, is suddenly made aware of a new antibiotic, for amebiasis, say, or something of that condition, he sends his submission to the Therapeutics Agents Review Committee, supports the use of this drug on a comparative basis with other known effective agents and usually such substantiation must include the cost of the drug. The therapeutics committee at the local level then is faced with a choice of adopting this drug if it appears to be so much more effective and if it is more effective, they must recognize this will inhibit their ability to purchase other drugs. So they have a builtin mechanism for practicing economy in addition to their major effect which would be to see that therapeutic effectiveness is beyond question.

Senator NELSON. I realize that formularies and therapeutics committees are relatively new as a practice, and there can be lots of argument about it, but one of the problems that bothers me is, for example, the fixed combination anti-infectives. All the experts that I know of in the United States said that they were ineffective as fixed combinations even before 1957; 13 years ago. All the experts in the country said this and knew this and it was true of your own experts in the VA, Department of Defense, in private practice, in teaching hospitals and all the pharmacologists and clinicians all agree. It was so universal that a major editorial was run in the American Medical