STATEMENT OF BRIG. GEN. GEORGE J. HAYES, MEDICAL CORPS, U.S. ARMY, PRINCIPAL DEPUTY ASSISTANT SECRETARY OF DEFENSE (HEALTH AND ENVIRONMENT); ACCOMPANIED BY COL. M. E. McCABE, MC, USA, OFFICE OF THE SURGEON GENERAL, DEPART-MENT OF THE ARMY; CAPT. L. M. FOX, MC, USN, CHIEF, MEDICAL SERVICE, NAVAL HOSPITAL, BETHESDA, MD., AND CHAIRMAN, PHARMACY AND THERAPEUTIC DRUG COMMITTEE; COL. E. J. CLARK, MC, USAF, OFFICE OF THE SURGEON GENERAL, DEPART-MENT OF THE AIR FORCE; CAPT. R. F. C. MacPHERSON, MC, USN, DIRECTOR OF MEDICAL MATERIEL, DEFENSE PERSONNEL SUP-PORT CENTER; COL. A. J. SNYDER, MSC, USA, CHIEF, DIVISION OF MEDICAL MATERIEL, DIRECTORATE OF PROCUREMENT AND PRO-DUCTION, DEFENSE PERSONNEL SUPPORT CENTER; AND MAX FEINBERG, ASSISTANT CHIEF, DIVISION OF TECHNICAL OPERA-TIONS, DIRECTORATE OF MEDICAL MATERIEL, DEFENSE PERSON-NEL SUPPORT CENTER

General HAYES. Mr. Chairman, it is my pleasure to appear before you today to bring you a further report on the procurement of drug products by the Department of Defense. I should like to introduce

my colleagues.

Col. Marshall E. McCabe, MC, USA, Office of the Surgeon General, to my right; Capt. L. M. Fox, MC, USN, Chief, Medical Service, Naval Hospital, Bethesda, Md., and Chairman, Pharmacy and Therapeutic Drug Committee, far right; Col. E. J. Clark, USAF, MC, Office of the Surgeon General; Capt. R. F. C. MacPherson, MC, USN, Director of Medical Materiel, Defense Personnel Support Center (DPSC); Col. A. J. Snyder, MSC, USA, Chief, Division of Medical Materiel, Directorate of Procurement and Production, DPSC; and Mr. Max Feinberg, Assistant Chief, Division of Technical Operations, Directorate of Medical Materiel, DPSC.

Probably no other event in recent years has had an impact on the practice of medicine in the United States equal to that of implementation by the Food and Drug Administration (FDA) of the National Academy of Science-National Research Council (NAS-NRC) study on drug effectiveness. Results first became apparent in federal agencies because their hierarchal organizational structures foster rapid communication with subordinate activities through a variety of media. Consequently, we in Government have been able to take the first definitive steps to reap the medical and economic benefits of the study. We have implemented our actions at three levels: DOD, Defense Medical Materiel Board (DMMB), and in the services themselves.

The Assistant Secretary of Defense (Health and Environment) has issued a memorandum to the Surgeons General of the Services outlining DOD policy as it applies to drug products categorized as other than "effective." Our policy prohibits further procurement or issue of ineffective products, and directs appropriate disposal of existing stocks. We have similarly terminated procurement of "possibly effectives," with one minor exception, but will withhold disposal