As of November 18, 1971, the Defense Medical Material Review Board had initiated action to stop further procurement and to eliminate from the supply system all items that FDA had then pronounced "ineffective" or "possibly effective". Also, the surgeons general of the military departments have emphasized through instructions to medical organizations the DOD policy on such drugs, which became effective January 21, 1971. This policy provides that for "ineffective" items subsequently withdrawn from the market, remaining stocks are to be destroyed or other appropriate action taken to remove them from the inventory. For items categorized "ineffective" but awaiting final determination by FDA, further use of remaining stocks is suspended until the final status is announced. Pharmacy and Therapeutic Agents Committees are required to question all prescriptions for "possibly effective" items, but local procurement of such items may be made if no alternate means of therapy is available.

No "ineffective" drugs have been purchased by DPSC for central stocks since the pertinent pronouncements in the Federal Register, but we are aware of a Federal Supply Schedule purchase of one item, Darvon (32 milligram), for initial treatment of seriously underweight geriatric patients. Also, 24 procurements valued at $1.5 million have been made of "possibly effective" drug items by DPSC for central stock since the FDA pronouncements. Twenty of these buys, valued at over $1.4 million, were made before the DOD policy prohibiting further procurements of "possibly effective" drugs was issued in January 1971.

Following this subcommittee's hearings in 1970, DOD established a committee to conduct an item by item review of drugs, chemicals, and biologicals in the Federal Supply Catalog to identify high cost, possibly effective, or duplicate items, and to initiate action to minimize the use of high cost drugs where lower price equivalents are available. Items so identified were to be reviewed by the military services to determine whether they should be deleted from the supply system. As of January 1972, seven items had been deleted and 57 items had been reclassified to a status prohibiting further procurements. Included in the 57 items were seven for which lower cost equivalent drugs were available in the supply system. Based on reported unit costs and demand, annual savings in excess of $1.1 million will be realized if the deleted items are not obtained via local purchase. Specific actions to stop local purchase of such items have not been taken because it would tend to dictate the drugs physicians can prescribe.

A VA circular of December 4, 1970, transmitted to hospitals and clinics a listing of "ineffective" drugs and stated that the Executive Committee on Therapeutic Agents had recommended that VA hospital therapeutics committees remove these items from their formularies. If the hospitals and clinics wished to retain any of the drugs they were required to obtain approval from the executive committee. This has been done for certain drugs being used for research.

The hospitals were requested to advise fee basis physicians of VA's policy on these drugs and to attempt to get them to prescribe alternatives. Information on FDA pronouncements made after December 4, 1970, has been sent by the VA headquarters to its hospitals and clinics.

Mr. GORDON. Mr. Staats, how successful has been the attempt to get physicians to prescribe alternatives? Has there been any analysis of the bills for drugs?