time, I think he should identify himself so it will be correct in the record.

Dr. WELLS. Directly at my right is the Assistant Chief Medical Director for Professional Services. He is also Chairman of our Executive Therapeutic Agents Committee in central office. Dr. Lyndon Lee.

At my extreme right is the Chief of our Pharmacy Service, Mr. Roland Harding.

Then at my left is Mr. Clyde Cook, who is the Deputy Director of our Supply Service and Mr. Phil Warman, our Associate General Counsel.

Senator NELSON. Your statement will be printed in full in the record. You may proceed to present it however you desire, and if you wish to call for any comments from any of your associates, feel free to do so.

Dr. WELLS. Mr. Chairman, inasmuch as this is a fairly lengthy and detailed statement, and I think it is responsive in large measure to the questions that have been forwarded from your office, with your permission, we will put it in the record and speak informally to the subject.

Senator NELSON. Fine. It will be printed in the record.

Dr. WELLS. Thank you, sir.

In the year since we appeared before you we think we have made a great deal of progress in the handling of the drug program in the Veterans' Administration. First off, we have done a great many things to improve our rational prescribing of drugs in the field and with our fee-basis physicians. This has been spearheaded in large measure through the reorganization of our Executive Committee on Therapeutic Agents in the central office, the development of considerably more specific missions for that committee and a great deal more interrelation between the committee in the central office and their counterpart committee at each of the field stations.

We think we have made considerable progress, also, in improving our methods of supply and purchase and distribution of drugs throughout the system. In this area, every attempt has been made to improve the economic situation, to get better kinds of pricing, and at the same time, to reduce as far as we can the level of those things which are less than fully effective by current standards.

Additionally, we have had a great deal of educational input into the system. We have had specific programs under our Department of Medicine and Surgery, Education Service, geared to their therapeutic programs with drugs.

We have also initiated a peer review type of mechanism, which I suspect is really the best kind of education we can use in our hospitals. We always have used this, but we have built it up around the problem-oriented record, for example, which really does change the situation at the hospital considerably relative to any kind of therapy. In the problem-oriented record, as you may know, the physician is required to list all things which are a problem to a patient. Then, anything that comes up later in the way of a diagnostic procedure or therapeutic procedure is keyed to the numbered list that is on the face sheet of the chart. This has a great inhibiting effect on the physicians, I may say, because he must look at the problem list and then orient his therapy to the problem. It becomes abundantly evident if he gives drugs, let's