

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 8631

determine compliance with policy on rational drug usage.

We have drafted a Professional Services letter which we shall ask our field stations to distribute to all fee-basis physicians. An attachment to this letter will be a concise listing of drugs according to their effectiveness classification. It will also indicate which drugs are listed in the particular station formulary.

Cooperative Efforts in the Procurement Process

The VA has cooperated for many years with other federal agencies in the procurement of commodities which we and others use in common. In 1961, we were assigned the responsibility for procurement of non-perishable subsistence and drugs in behalf of all federal civilian agencies by the Administrator of General Services under authority given him in the Federal Property and Administrative Services Act of 1949. In addition to carrying out this assignment, we have for many years made available to other agencies, at their request, supplies and equipment available in our system. During Fiscal Year 1971, 18 federal agencies ordered supplies valued at \$69,612,372 from VA stocks or from contracts made by VA. During the same period, the VA purchased supplies valued at \$52,419,131 from other federal agencies' stocks or contracts. This cooperation is not confined to the interchange of stock sales alone, but includes several instances where this agency has provided information to other agencies, and also to private and state bodies for their use in the management of their procurement.