

FDA pronouncements appeared in the Federal Register. Procurement of six of the seven items was discontinued after the VA policy was issued on December 4, 1970. The other item was purchased for over 2 years after the FDA pronouncement because it was inadvertently excluded from the list of "ineffective" drugs issued on December 4, 1970. The VA Marketing Center has now been instructed to suspend issuance of all "ineffective" drugs and to negotiate with manufacturers for return of existing stocks for credit.

The VA continues to purchase "possibly effective" drugs, apparently because of its philosophy that it should not take actions that would unduly restrict the prescribing practices of physicians.

On January 13, 1971, VA hospitals and clinics were advised to ensure that every effort be made to treat VA patients with the most effective therapeutic agents at the most favorable prices. Also, VA hospital therapeutic committees were requested to continually review prescribing practices--with due regard to the effectiveness and fluctuating prices of drugs--as patents expire, or competitive market conditions make price advantages available. Also, the hospital therapeutic committees were advised that the purchase of high cost drugs could not be justified when equally effective, but less expensive, items are available.

Actions taken by the Department of Health,
Education, and Welfare

HEW has also acted to implement the FDA procurements related to the effectiveness of drugs. The Surgeon General on December 11, 1970, established the policy that the Department would not spend Federal funds for (1) "ineffective" drugs, except under approved clinical research projects, or (2) for "possibly effective" drugs, except under approved clinical research projects or when alternate