

10504 COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY

system aimed at requiring all military activities with individual drug purchases exceeding specified criteria to report their purchases, and (2) require centrally-managed drugs purchased from other than a central manager to be reported.

--The VA should require that VA's Central Office Supply Service (1) prepare lists of summary and exception data from the information reported, (2) require local field stations to report their purchase data correctly and consistently, and (3) see that all vendors report detailed sales data when required by contracts.

--The Department of Defense and the VA should consider using a standardized coding system, such as the National Drug Code, for identifying local purchases of drugs not having Federal stock numbers.

--The Departments of Defense and HEW and the VA should review the frequency and type of inspections required and the related changes needed to facilitate the transfer to FDA of all quality assurance responsibilities pertaining to purchases of drugs by Federal agencies.