

COMPETITIVE PROBLEMS IN THE DRUG INDUSTRY 10505

OMB, in commenting on our final report by letter dated January 14, 1974, stated that the study group has completed its report and has made recommendations which are currently under review by the principal agencies involved. OMB stated also that the findings and recommendations of the study closely parallel those set out in GAO's report.

In its letter commenting on our final report, DOD stated that it subscribes in general to the goals and principles set forth in the report. DOD stated also that, although agencies' actions to improve Federal coordination regarding specific aspects of drug procurement and management have been limited to informal coordination between agencies pending evaluation of the OMB report, advice as to positive actions concerning our recommendations would be furnished to us as they are implemented. Also, a clarifying DOD policy concerning adapting medical items for central procurement is expected to be released within 60 days.

In its letter dated January 16, 1974, VA indicated general agreement with the thrust of our report and discussed the status of actions to implement the recommendations. For example, VA:

--has authorized its marketing centers and supply depots to accept orders from DOD field installations;