

The HEW member is the Director of Materiel Policy Regulations Development, and the VA member is the Director of Supply Service, Department of Medicine and Surgery, and the FDA liaison member is the Director of Compliance Coordination and Policy Staff, and the GSA member is the Assistant Commissioner for Interagency Support of the Federal Supply Service.

Copies of a complete documentary history of the committee have been furnished to you and the members of the staff in order that you may be able to perceive the progress made to date. The documents trace this progress from the inception of the OMB interagency study in 1971 to the minutes of the last meeting of the committee held on March 18, 1975. All of the documents to which I shall refer are contained in this history.

Shortly after the establishment of this committee in July of 1974, the committee drafted a charter which was signed by all of the participating agencies in September of the same year. It then set in motion the process of implementing the first three recommendations of the study. Prior consideration was given to eliminating duplication of purchasing efforts by fixing in a single purchasing office all purchasing responsibilities for a single family of items.

I shall now summarize the first three recommendations:

One: Establish a single system for governmentwide management of drugs, medical items, and nonperishable subsistence for the Federal Government.

Two: Utilize the competence and capability which now exist in the Department of Defense and the Veterans' Administration to purchase these items and transfer the corresponding purchasing responsibilities that GSA and HEW now have to DoD and VA.

Three: The Administrator or General Services should assume lead responsibility for developing the system through an interagency committee with membership comprised of HEW, DoD, and VA to be chaired by GSA and take the following steps: (a) Eliminate duplication in purchasing by assigning all purchasing responsibility for a single family of items to a single purchasing office. The using activities should continue to requisition in accordance with current prescribed procedures; (b) collect essential usage data on items obtained repetitively and in high volume from other than central depots in order to enter these items into the supply system; (c) plan for further coordination to improve procurement and supply management including consolidation of warehouse facilities; (d) cause the system to be not only economical but responsive to agency needs, including mobilization planning and military necessity.

The fourth recommendation deals with the governmentwide quality assurance. A plan for this is now being developed under the leadership of the Secretary of HEW.

A task group consisting of members from the Defense Personnel Support Center, Department of Defense, the Veterans' Administration Marketing Center, the Federal Supply Service within GSA, and the National Institutes of Health in the Department of HEW was formed in order to categorize items into families of items. This was necessary in order to make purchasing assignments to DoD and VA nonduplicative.

Mr. GORDON. Mr. Zechman, may I interrupt for a minute?