However, again that is in negotiation. It may well be it will be better to transfer something.

For that final recommendation, reviewing the frequency and type of inspections, in support of that recommendation, VA along with DSA, DPSC, Public Health Service, and FDA, were formed into five different task forces. They had assignments as follows: Specifications, standards, plant inspection, product testing, and a certification list.

Each of these was grouped and they were charged with determining what has been done, whether the function, in whole or in part, should come under the FDA. These are parts of the negotiations we mentioned.

Whether FDA has resources necessary to carry out and develop the time frame for implementation of the functions upon transfer, were matters that were considered. All task group panel reports have been forwarded to the Chairman of the Interdepartmental Steering Group. No final determination of the Interagency Steering Group has been made based on the recommendations presented by the various task groups. As stated in our testimony of March 5, 1974, before the Monopoly Subcommittee, "our position is—and consistently has been—that we are willing to rely upon FDA for a comprehensive quality assurance program provided FDA makes the necessary information available to us in a reliable and timely manner."

The CHAIRMAN. You are saying that you are willing to rely upon the FDA for quality assurance provided they supply you with the information.

Is that what you are saying?

Dr. LEE. In a timely and a reliable fashion, yes, sir.

The CHAIRMAN. What quality assurance function does the VA perform now?

Mr. WHITWORTH. Only "in-plant" inspections. All testing and other quality assurance activities are performed for us now, and traditionally have been, by FDA. We have people, as the doctor said, 1½ man-years equivalent, to travel to plants, inspect the plants and say yes, we will do business with you, or no, we will not, and tell them why.

The CHAIRMAN. Then once the FDA takes over the quality assurance function of the recommendations, there is no point in even that 1½ man-years being performed. Is that correct?

Mr. WHITWORTH. Expressed another way, sir, there is no point in our making "in-plant" inspections any longer.

Dr. LEE. In summary, then, except for those actions which await final determination by the five-agency implementation program and final action to transfer quality assurance functions to FDA, we believe VA is in substantial compliance with the recommendatons of the Comptroller General.

Action taken on recommendations of OMB to develop a single system for the procurement and management of pharmaceuticals, are in summary, on September 9, 1974, the Chairman of the Interagency Medical and Nonperishable Subsistence Supply Management established a task group to determine criteria for defining categories of medical items. The group is to determine criteria for defining categories of medical items for the purpose of assigning purchasing responsibility.