

a prescriber certified in writing the necessity of a higher priced product. This is consistent with the rational drug prescribing policy we think we hold in the Veterans' Administration. As we have testified before, we promote, with a considerable degree of success, the writing of prescriptions on a drug equivalency basis by our own VA physicians. VA's prescription forms encourage all physicians writing prescriptions for VA patients to allow the pharmacists to fill prescriptions with the lowest priced item that will meet the requirements of the prescription. Nevertheless, we must continue to allow physicians, as Secretary Weinberger has stated, freedom to prescribe the drug, that in their professional judgment, is necessary for proper care and treatment of their patients. Let us remember we are here discussing the judgments and professional actions of over 5,000 full-time VA physicians and in our fee basis program over 100,000 practicing other physicians.

This concludes my formal statement. My colleagues and I would be happy to respond to any questions.

The CHAIRMAN. I do not quite understand that last sentence on page 16:

Nevertheless, we must allow physicians, as Secretary Weinberger has stated, freedom to prescribe the drug that in their professional judgment is necessary for proper care and treatment of their patients.

Do you mean if it is a drug that is not the appropriate drug for the disease that you have to let them prescribe it?

Dr. LEE. On the contrary, sir. The point is, the physician, in his own right, has a patient obligation, and we respect the fact that he may select a drug which he feels is appropriate. We do not think that we ought to tell 100,000 physicians from the Veterans' Administration in Washington what drug they must supply to a given patient for a given circumstance. We have every faith that that physician will supply the drug which is desirable in that particular instance in his professional judgment.

The CHAIRMAN. Do you not have at each of these hospitals a pharmacy and therapeutics committee?

Dr. LEE. We do, yes, sir. I am the chairman of the central office group, and there are certain regulations and suggestions made. There is a fairly rigid control on these in the VA internally through our pharmacies, through our therapeutic committees, and these other groups, and they consider very rigidly the questions of which drugs are available and which are used in their hospitals. We do not have a similar and parallel circumstance controlling the fee basis physicians, who are private practitioners throughout the country.

The CHAIRMAN. So, within your own hospital, if a doctor is prescribing a particular brand name and you have not stocked it on the grounds that you have the same compound at a much cheaper price—

Dr. LEE. One of two things occurs. One is that our pharmacist is empowered to give a similar drug in substitution. If, however, the physician insists that that particular substance that he has ordered, usually by brand name, be used, he justifies this in writing before the Therapeutics Agents Committee.

The CHAIRMAN. Do you find that to be much of a problem? The committee simply says we have the same compound that generally—