--Responsibility for all quality assurance activities relative to Federal purchases of drugs should be assigned to a single agency--HEW's Food and Drug Administration (FDA).

We made one or more recommendations to the heads of each of four agencies which are heavily involved in activities relating to the Government's procurement and supply programs for drugs--the Office of Management and Budget (OMB), the Department of Defense (DOD), the Veterans Administration (VA), and HEW.

Seven of the recommendations related generally to the need for (1) greater cooperation and coordination among the agencies primarily responsible for buying drugs, and (2) improvement in DOD's and VA's centralized management of drug procurement and supply. The final recommendation related to the need to eliminate overlapping drug quality assurance activities now being carried out by several agencies. Specifically, we recommended that:

1. The Director, OMB, lead in developing--with representatives of the General Services Administration (GSA), DOD, VA, and HEW--policies and procedures to increase agency cooperation in buying drugs and thereby achieve substantial savings through large-volume buys. Field installations should be authorized to obtain their drug requirements from any centralized Government supply source.

2. The Administrator, VA, should develop specifications for (1) all new drugs which VA decides to manage centrally, and (2) centrally-managed drugs for which it currently has no specifications.

3. The Secretary of Defense should revise DOD policy to insure that drugs will be obtained centrally whenever savings would result.