they are protected by patents or are sufficiently described in official compendia. We feel it unnecessary to develop specifications for drug items for which there is only one source of supply. We will continue to develop specifications whenever we feel they are required to promote competitive procurement or where special characteristics of the product must be defined, to assure quality and uniformity of the product. Generally, it can be stated that centrally managed drugs, in the VA, when they can be bought competitively, are covered by specifications. Since Fiscal Year 1973, a total of 48 new specifications have been prepared, and 114 were revised.

The third recommendation that applied to VA stated, "The Secretary of Defense and the Administrator of the Veterans Administration consider jointly developing specifications which would satisfy all Federal agency requirements."

When VA finds it necessary to develop a new specification, the military specification, if there is one, is used as a basis for our development. If possible, we use a military spec, modified if necessary, to meet our needs. We are familiar with the specifications the military has and make copies of ours available to the military. Consequently, we believe that we have complied with this recommendation.

GAO's fourth applicable recommendation would require the Administrator of VA to (1) prepare lists of summary and exception data from hospital local purchase drug information reported, (2) require local field stations to report their purchase data correctly and consistently, and (3) see that all vendors report detailed sales data when required by contracts.