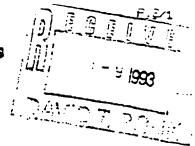


DEPARTMENT OF VETERANS AFFAIRS The Edward Hines, Jr. Hospital Hines IL 80141



June 4, 1993

in Reply Refer To: (578/119)

Dear Manufacturer:

The VA Drug and Pharmaceutical Product Management Section (DPPM) has received a General Counsel ruling that all non-Federal Average Manufacturer Price (non-FAMP) data for "covered drugs" as defined by Public Law 102-585 must include sales figures from any State or Territory of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. Title 38 United States Code, Section 101 (20) defines ("for the purpose of this title") the term "State" to mean each of the several States, Territories and possessions of the United States, the District of Columbia, and the Commonwealth of Puerto Rico. VA General Counsel ascribes the same meaning to "United States" in Section 8126(h)(5) of the new Law.

If your original submission and subsequent quarterly submission of non-FAMP data excluded sales made in any State or Territory of the United States, the District of Columbia, and the Commonwealth of Puerto Rico, then your non-FAMPs and Federal ceiling prices must be recalculated and resubmitted. Negative replies are requested.

The required data is preferred in an electronic format. An electronic bulletin board has been established to receive this data. The phone number for the bulletin board is (708) 531-7947. Data on diskettes or manual data may be mailed to:

Chief, Drug Product Management (119) Building 17 Tripp & Crossman Circle Hines, IL 60141

Thank you for your cooperation and prompt action. If you have any questions, please call Steve Wade, Annette Powell or Thomas H. Borysek at (708) 216-2079.

Sincerely yours,

Albert A. Patterson, R.Ph.

Chief, DPPM/VACO