

SEP 18 2002

Indian Health Service Rockville MD 20852

Dear Tribal Leader:

The Tribal Self-Governance Amendments of 2000, Public Law 106-260, amended Section 105(k) of the Indian Self-Determination and Education Assistance Act (ISDEAA) to authorize the Secretary to enter into agreements on behalf of Tribes or Tribal organizations for the acquisition of goods and services, including acquisitions from prime vendors.

Under Section 105(k), Tribes and Tribal organizations are authorized to purchase prescription drugs from the Federal Supply Schedule for the purpose of providing health services to Indians. The prescription drugs can only be used for Indians whose health care is provided under an ISDEAA contract or compact, and cannot be purchased or used for resale or dispensed to non-Indian employees of the Tribe.

I am enclosing for your review and comment the proposed modification to the contract between the Department of Veterans Affairs and its pharmaceutical prime vendor, AmeriSource. Under the proposed modification, contracting and compacting Tribes can continue to order pharmaceuticals through the Indian Health Service (IHS) or order directly from AmeriSource. The amount of pharmaceuticals ordered yearly by each Tribe or Tribal organization will affect the price paid for both the pharmaceuticals and the services provided, the same as with AmeriSource's other non-Federal customers.

Please provide your written comments by October 15 to Mr. Robert Pittman, IHS Principal Pharmacy Consultant, 801 Thompson Avenue, Suite 100, Rockville, MD 20852. If you have any questions or need additional information, Mr. Pittman can be reached at (301) 443-1190 or by E-mail: rpittman@,hqe.ihs.gov.

I look forward to working with you on this important matter that will help us improve the health status of American Indian and Alaska Native people.

Sincerely yours,

Charles W. Grim, D.D.S., M.H.S.A.

Assistant Surgeon General

Interim Director

Enclosure