

GOVERNMENT CONTRACTS COMPLIANCE

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- **Context**
 - **Your company has just acquired another company or a pharmaceutical product line**
 - **You have been asked to conduct a compliance review**
 - **This is what you need to know about government contract compliance**

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- **Why Government Contract Compliance Is Important (I)**
 - **The U.S. Government is a significant purchaser (and developer) of pharmaceuticals**
 - **The Veterans Health Care Act effectively requires non-generics to be sold to the U.S. Government under Federal Supply Schedule contracts**

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- **Why Government Contract Compliance Is Important (II)**
 - **The principal enforcement authorities are very aggressive**
 - **The penalties are just as draconian as elsewhere in the field**
 - **The plaintiffs' bar is just as eager, too**

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- **How Noncompliance Happens (I)**
 - **Government contracts are relative stepchildren**
 - **Government contract administration is a relative dead-end**
 - **Compliance is cumbersome and unpopular with everyone else**

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- **How Noncompliance Happens (II)**
 - **Compliance requires trained personnel and training**
 - **Compliance requires good systems and procedures**
 - **The Contracts are badly drafted**
 - **There are many different types of contracts**

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- **What Are The Principal Government Contracts Compliance Issues?**
 - **Pricing**
 - **Sourcing**
 - **Subcontracting**
 - **Grant costs**