

## Customer Spotlight: State of Tennessee

# Minimizing Pharmacy Risk for Maximum Savings

The State of Tennessee Division of Claims and Risk Management administers the State's workers' compensation, tort liability, loss prevention, and other insurance programs for various institutions and agencies across the state, covering 85,000 employees and 6.7 million Tennessee residents.

The State's partnership with CorVel began in 2014, when they implemented CorVel's integrated claims management services to increase the efficiency and cost-effectiveness of their program. After creating a successful return to work program and experiencing exponential bill review savings, the State chose to expand their program in March 2018 to include CorVel's complete pharmacy solutions.

### Our High-Touch PBM Model

Since taking over the State's pharmacy program, CorVel has effectively managed their formulary and streamlined their point-of-sale processing. Our high-touch system flags potentially problematic claims and inappropriate prescribing patterns, including claims with multiple prescribing doctors or certain drug combinations.

With point-of-sale review of all prescribed medications, our adjusters and clinical staff are provided the essential information required to make safe and cost-effective medication decisions. Our nationally certified pharmacy

technicians easily identify costly brands, topicals, and non-work-comp-related medications. For the State, this proactive point-of-sale management resulted in over \$480,000 in direct impact savings within the first year of incorporating our pharmacy solutions.



IDENTIFIED AND  
DISALLOWED OVER

**800**

NON-WC-RELATED SCRIPTS

OVER

**\$480K**

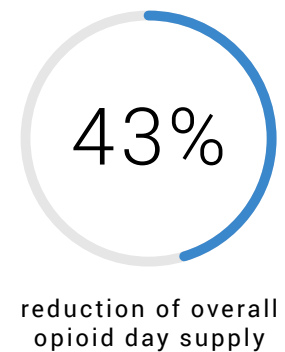
IN DIRECT IMPACT SAVINGS

## Results of Streamlined Pharmacy Spend

Brand medications can cost three to five times more than their generic equivalents. Because of this, brand to generic conversion is an important aspect of reducing pharmacy spend. CorVel's quarterly reviewed formulary stops all brand medications at the point-of-sale, requiring technician review and prior authorization. The pharmacy team is then able to convert many brand medications to formulary generic equivalents or alternatives. With set protocols and utilization review, CorVel achieved a 98% generic efficiency rate for the State.

Moreover, CorVel's integrated pharmacy and bill review systems provides the State complete visibility of all prescribed medications and opioid usage. In light of the rising opioid epidemic, CorVel encourages opioid safety by clearly communicating guidelines to prescribers and in support of the State of Tennessee's guidelines, stopping all first fill opioids exceeding a 5-day supply for review. As a direct result of the controls and procedures set in place, the State's opioid cases have declined overall and average opioid day supply was reduced by 43%.

By proactively identifying and addressing cost drivers, CorVel has effectively managed the State's risk in pharmacy utilization and achieved significant results in a one-year period.



To learn more about CorVel's pharmacy solutions, visit [corvel.com](https://www.corvel.com).

