

Customer Spotlight

Alaska National Insurance

Bill Review Program Discovers Pharmacy Savings

The Company

For over a quarter century, Alaska National Insurance Company has provided financially secure risk protection to companies doing business in the challenging environment of Alaska. Although they still call Alaska home, Alaska National has expanded to become a diversified regional Western United States commercial lines carrier. They offer a comprehensive array of commercial lines insurance products, including state act workers' compensation, Jones Act, general liability, and commercial auto.

Background

CorVel began performing bill review services for Alaska National in 2008. During that time CorVel implemented a more focused account management team to better serve Alaska's three regional claims offices. With CorVel's innovative rules engine Alaska National has benefited from accurate and consistent bill review to maximize cost savings. Since switching to CorVel's bill review program Alaska National has realized a 48% overall savings from over 100,000 bills.

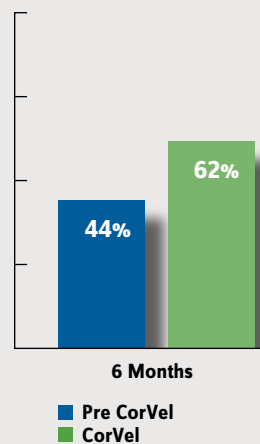
Innovation

As the relationship grew, CorVel began monitoring Alaska National's out of network pharmacy bills and penetration in their existing program. In 2010, CorVel ran a report to quantify the annual results and revealed only a 44% penetration with their current program. CorVel proposed implementing our pharmacy program to improve penetration. After experiencing service level improvements in their claims offices coupled with the realization of lost dollars in their current pharmacy program, it was an easy decision to switch to CorVel's pharmacy program.

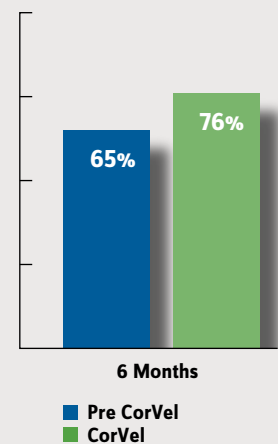
Results

In July 2010 Alaska National implemented a pharmacy program with CorVel. From the onset CorVel benchmarked the program to track results. Six months into the program, penetration increased from 44% to 62% and generic usage increased from 65% to 76%.

NETWORK PENETRATION INCREASED 41%



BRAND TO GENERIC IMPROVEMENTS 17%



Looking to the Future

Alaska National is very pleased with the first six months results gained from the pharmacy program. CorVel was able to identify savings opportunities as a result of their comprehensive bill review services. As the pharmacy program continues, savings are expected to increase as a result of continued network penetration and brand to generic conversions.

"Our partnership with CorVel has enabled us to exceed our goals in providing extraordinary service to our customers."

Alaska National
Senior Vice President / Claims

