

Oracle Insurance Accounting Analyzer

Release Notes

Release 8.1.0.0.0

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ORACLE
Financial Services

Oracle Insurance Accounting Analyzer Release Notes

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Document Control

Version Number	Revision Date	Change Log
1	June 2020	Captured updates for the Oracle Insurance Accounting Analyzer Release v8.1.0.0.0

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1 About the Guide

This section provides release information for the Oracle Insurance Accounting Analyzer Application Pack and includes the following topics:

- [Purpose of This Document](#)
- [Intended Audience](#)
- [Documentation Accessibility](#)
- [Access to Oracle Support](#)
- [Related Information Sources](#)

1.1 Purpose of this Document

This document contains release information for the Oracle Insurance Accounting Analyzer application.

1.2 Intended Audience

This document is intended for users of Oracle Insurance Accounting Analyzer Application Pack.

1.3 Access to Oracle Support

Oracle customers have access to electronic support through My Oracle Support. For information, visit <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=info> Or, visit <http://www.oracle.com/pls/topic/lookup?ctx=acc&id=trs> if you are hearing impaired.

1.4 Related Information Sources

You can access the following online documents from the Oracle Help Center (OHC) Documentation Library for [Oracle Insurance Accounting Analyzer Application Pack](#):

- [Oracle Insurance Accounting Analyzer Release Notes](#)
- [Oracle Insurance Accounting Analyzer Installation Guide](#)
- [Oracle Insurance Accounting Analyzer User Guide](#)

You can access the OFS AAI documentation online from the OHC Documentation Library for [OFS AAI](#):

- [OFS Advanced Analytical Applications Infrastructure \(OFS AAAI\) Application Pack Installation and Configuration Guide](#)
- [OFS Analytical Applications Infrastructure User Guide](#)

The additional documents are:

- [OFSAA Licensing User Manual, Release](#)
- [OFS Analytical Applications Infrastructure Security Guide](#)
- [OFSAAI FAQ Document](#)

- [OFS Analytical Applications Technology Matrix](#)
- [Oracle Insurance Accounting Analyzer Technical Documents](#)

2 Introduction to Oracle Insurance Accounting Analyzer Application Pack

IFRS 17 and LDTI are new accounting standards that supersede the current existing practice. The new standards provide the users of financial statements with a new perspective of the financial accounts of insurance companies.

Insurance companies must identify the risks that arise from the insurance contracts along with the calculation of assets and liabilities. IFRS 4 was introduced in March 2004 and was intended to provide limited improvements to accounting for insurance contracts. IFRS 4 permitted companies to continue previous accounting practices for insurance contracts but did enhance the disclosure requirements.

IFRS 17 standards, released in May 2017, supersede the current reporting standards in IFRS 4 on accounting for insurance contracts and have an effective date of 1 January 2021. The new standards provide users of financial statements with a new perspective of the financial accounts of insurance companies. IFRS 17 introduces an approach that tackles some challenges in accounting for insurance contracts currently addressed inconsistently when a company applies IFRS 4.

- IFRS 17 provides updated information about the obligations, risks, and performance of insurance contracts.
- Increases transparency in financial information reported by insurance companies, which give investors and analysts more confidence in understanding the insurance industry.
- Introduces consistent accounting for all insurance contracts based on a current measurement model.

Amendments in LDTI apply to all insurance entities that issue long-duration contracts and emphasizes on the following:

- Improves the timeliness of recognizing changes in the liability for future policy benefits and modify the rate used to discount future cash flows.
- Simplifies and improves the accounting for certain market-based options or guarantees associated with deposit (or account balance) contracts.
- Simplify the amortization of deferred acquisition costs.
- Improve the effectiveness of the required disclosures.

2.1 Why Oracle Insurance Accounting Analyzer?

Oracle Insurance Accounting Analyzer application enables compliance to accounting standards for insurance contracts issued by FASB and IASB. The solutions help them adhere to the disclosure requirements as proposed under these standards. IFRS 17 requires insurance companies to have consistent accounting standards for the insurance contracts which ensures timely recognition of losses in the book of accounts. Insurance companies are required to identify and report the Fulfillment Cash Flows and Contractual Service Margin at every reporting date, based on the current market conditions. Oracle Insurance Accounting Analyzer application helps the organizations to conclude the insurance obligations (insurance contract liabilities reported on the balance sheet), using different methodologies for a set of portfolios, by assessing the net liability for every insurance contract.

IFRS 17 standard also requires the entities to perform initial recognition of insurance contracts and execute periodical reassessment of the insurance liabilities, based on the current assumption sets. The insurance liabilities are presented in every reporting period and those reflect the change in the amount since inception. The profitability of insurance contracts is amortized over the duration of the contract, based on the services provided. One of the critical requirements of IFRS 17 is to estimate the measurements at the most granular level, rather than at the aggregated portfolio level. Groups are formed with a portfolio to reflect the insurance contract that shares similar risks. The financial report separately showcases the asset and the liabilities of the groups of contracts. This primarily involves showcasing the insurance and finance results separately per insurance groups.

The Oracle Insurance Accounting Analyzer with the LDTI solution provides the capability to execute the calculations of disaggregated liability estimates with calculation logic easily configured for different product types. The calculations can be executed at the granularity chosen by the user based on the business needs. The solution also supports the calculation of the net premium and the retrospective calculations based on the standard requirements. The solution also comes with multiple out of box reports to adhere to the standard enhancement.

2.2 What is New in this Release

This section lists the new features and changes in the Oracle Insurance Accounting Analyzer Application Pack Release 8.1.0.0.0.

Topics

- [New Features](#)
- [Deprecated Features](#)
- [Desupported Features](#)

2.2.1 New Features

Oracle Insurance Accounting Analyzer bundles the following new features in version 8.1.0.0.0:

- In the Sub-ledger feature, the export and import functionality is enhanced.
- In the discounting and liability calculation components, logging is enhanced.
- The OBI reports is enhanced with the Transition feature.
- The workflow for reinsurance contracts is enhanced to incorporate the cash flows for reinsurance held in the granularity of underlying insurance contracts.
- Improved accuracy of monthly forward rate computation from spot rates.
- Support for New Technologies
 - Database: Oracle Database18c, Oracle Database 19c
 - TCPS and Oracle Wallet
 - Web Application Server: Apache Tomcat v9.0.x, IBM WebSphere Application Server 9.0.0.x (Full Profile only)
 - Browser: Microsoft Edge

2.2.2 Deprecated Features

There are no deprecated features in this release.

2.2.3 Desupported Features

There are no desupported features in this release.

2.3 Installing this Major Release

For detailed instructions to install this Major Release, see the [Oracle Insurance Accounting Analyzer Installation Guide Release 8.1.0.0.0](#).

3 Oracle Insurance Accounting Analyzer Release 8.1.0.0.0

Oracle Insurance Accounting Analyzer Release 8.1.0.0.0 is a separately licensed product.

31129200 - OFS IIA Pack Release 8.1.0.0.0 includes all enhancements and bug fixes that are done since the 8.0.9.0.2 release.

This chapter includes the following topics:

- [Bugs Fixed in this Release](#)
- [Known Issues / Limitations](#)

3.1 Bugs Fixed in this Release

The following bugs are fixed in this release:

Table 1: The List of Fixed Bugs in Release 8.1.0.0.0

Bug Number	Bug Description	Change Description
Bug 31279455	COHORT ID LENGTH INCREASE IN STG TABLES	In the stage table, you can now add a cohort id whose length is greater than 20 characters. The cohort id length in the stage tables and the dim tables has been increased to 32 characters by changing the length of the group codes and the cohort in the stage tables, and FSI tables.
Bug 31302618	CURRENCY CODES/VOLATILITY CURVE NOT COMING IN INTEREST RATE CODE SCREEN	In the atomic schema, in the REV_APP_USER_PREFERENCES table for APPID='OFS_IIA', the DEFAULT_FOLDER_NAME was appearing as TestFolder. To resolve this, the rev sql script has been changed to set the DEFAULT_FOLDER_NAME to the segment value specified at the time of installation
Bug 31428519	GMM LIABILITY ANALYSIS REPORT DOES NOT ALLOW AGGREGATION AT LE/LOB LEVEL	The GMM Liability Analysis Report now allows the aggregation at the Legal Entity or Line of Business level. This was resolved by providing the multi-select option in the Run prompt.

3.2 Known Issues or Limitations in this Release

There are no known issues or limitations in this release.

4 **Oracle Financial Services Analytical Applications Infrastructure**

See the [Oracle Financial Services Advanced Analytical Applications Infrastructure Application Pack Release Notes](#) for the details on the New Features, List of Bugs Fixed, and Known Issues and Limitations.

5 **Hardware and Software Tech Stack Details**

The hardware and software combinations required for OFS AAI 8.1.0.0 are available at [OFS Analytical Applications Technology Matrix](#).

6 Licensing Information

For details on the third party software tool used, see the [OFSAA Licensing Information User Manual Release 8.1.0.0.0](#).

OFSAA Support

Raise a Service Request (SR) in [My Oracle Support \(MOS\)](#) for queries related to the OFSAA applications.

Send Us Your Comments

Oracle welcomes your comments and suggestions on the quality and usefulness of this publication. Your input is an important part of the information used for revision.

- Did you find any errors?
- Is the information clearly presented?
- Do you need more information? If so, where?
- Are the examples correct? Do you need more examples?
- What features did you like most about this manual?

If you find any errors or have any other suggestions for improvement, indicate the title and part number of the documentation along with the chapter/section/page number (if available) and contact the Oracle Support.

Before sending us your comments, you might like to ensure that you have the latest version of the document wherein any of your concerns have already been addressed. You can access My Oracle Support site that has all the revised/recently released documents.

