

Oracle Insurance Accounting Analyzer

Release Notes

Release 8.1.1.2.0

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ORACLE
Financial Services

Oracle Insurance Accounting Analyzer Release Notes

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Document Control

Table 1: Document Version Control

Version Number	Revision Date	Change Log
1	September 2021	Created the release notes for Release 8.1.1.2.0.

Table of Contents

- 1 About the Guide 5**
 - 1.1 Intended Audience..... 5
 - 1.2 Access to Oracle Support 5
 - 1.3 Related Information Sources..... 5
 - 1.4 Introduction to Oracle Insurance Accounting Analyzer Application Pack 6
 - 1.5 Why Oracle Insurance Accounting Analyzer? 6
 - 1.5.1 *What is New in this Release* 7
 - 1.5.2 *Installing this Minor Level Release*..... 9
- 2 Oracle Insurance Accounting Analyzer Release 8.1.1.2.0..... 10**
 - 2.1 Bugs Fixed in this Release..... 10
 - 2.2 Known Issues or Limitations 11
- 3 Oracle Financial Services Analytical Applications Infrastructure..... 12**
- 4 Hardware and Software Tech Stack Details..... 13**
- 5 Licensing Information 14**

1 About the Guide

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

- [Intended Audience](#)
- [Access to Oracle Support](#)
- [Related Information Sources](#)

1.1 Intended Audience

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

1.2 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.

1.3 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 \(OFS AAI\) 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 FAO Document](#)
- [OFS Analytical Applications Technology Matrix](#)
- [Oracle Insurance Accounting Analyzer Technical Documents](#)

1.4 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 gives 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 the following:

- Improves the timeliness of recognizing changes in the liability for future policy benefits and modifies 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.

1.5 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 liabilities of the groups of contracts. This primarily involves showcasing the insurance and finance results separately per insurance group.

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.

1.5.1 What is New in this Release

This section lists the new features and changes in the Oracle Insurance Accounting Analyzer Application Pack Release 8.1.1.2.0.

Topics:

- [New Features](#)
- [Deprecated Features](#)
- [De-supported Features](#)

1.5.1.1 New Features

Oracle Insurance Accounting Analyzer bundles the following new features in version 8.1.1.2.0. For detailed information about the usage of the listed features, see the respective product User Guides on [OHC Documentation Library](#).

- **Year-to-Date (YTD)** - The Oracle Insurance Accounting Analyzer Application supports Year-to-Date Reporting irrespective of whether the Input Cash Flow or Variable Data is given on a Year-to-Date basis or an Incremental Basis. The **Execution Type** drop-down field has been added for a Liability Calculation and the **Period Type** drop-down field has been added for a Subledger Accounting Attribute to support this feature. For more information, see the *Oracle Insurance Accounting Analyzer YTD Feature Document* on [MOS](#).
- Enhanced the LDTI and GMM Reinsurance-held Templates:
 - **LDTI:** Addition of *Opening Adjustment* and *Adjusted Opening Balance* line items to calculation templates
 - **GMM Reinsurance-held:**
 - Addition of *Change in CSM due to Gain Reversal* line item and logic
 - Addition of *Cap on Gain Component* to the *Ratios From Underlying Insurance Contracts* section of the calculation templates
- Addition of new Macros for all Reinsurance Templates:

- **Percentage Claim Recovery** – This Macro supports the Reinsurance Recovery Percentage per Direct Insurance Cohort.
- **Eligibility Percentage**- This Macro supports the Reinsurance Eligibility Percentage per Direct Insurance Cohort.

For detailed information on the Macros, see the *Oracle Insurance Accounting Analyzer Macros* Document on [MOS](#).

- Import of the seeded template in an Excel File via the **Calculation Preference** Screen is now supported.
- The Disaggregate insurance Finance Expense Feature has been enhanced for all GMM and PAA direct insurance templates. *Insurance Finance Expense (OCI)* line item has been added and the same mapped to related line items in the Disclosure Reports.
- Based on the **Consolidation Criteria** set on the **Application Configuration** Screen, the **Run Type** for creating a new Level of Aggregation Definition can be set:
 - *Computation based on Solo data* – If this value is selected, then the default Run Type is *Solo* which cannot be modified
 - *Consolidated data as Input* - If this value is selected, then the default Run Type is *Solo* but can be changed to *Consolidated*.
- New PAA and GMM-GI Direct Insurance Templates to support Prior Accident-Year as Prior-Period For Incremental Execution-Runs.
- **Subledger**
 - The application supports the option to execute the Direct Insurance and Reinsurance Definitions separately. Direct Insurance and Reinsurance Rules have separate definitions for Direct Insurance and Reinsurance cohorts. In the **Method** field of the **Definition Details** and **Accounting Rules** Tab, the *GMM Reinsurance* and *PAA Reinsurance* Methods are added. For more information on the Subledger Feature, see the *Oracle Insurance Accounting Analyzer Subledger Feature* Document on [MOS](#).
 - Added seeded Accounting Rules for Acquired Contracts and Transition across methods.
 - The Subledger Accounting Attributes and Subledger standard definitions are now YTD compliant.
 - Support of versioning and Audit Trail is supported for Subledger Accounting Attributes. Multiple versions of a Subledger Accounting Attribute Mappings can be maintained and modified to maintain consistency with the CSM calculation.
- **Reporting Dashboards**
 - Disclosure Reports will be displayed based on whether the Execution Type is *YTD* or *Incremental*. The **Execution Type** filters have been added to support this feature. For more information on the Subledger Feature, see the *Oracle Insurance Accounting Analyzer Reports* Document on [MOS](#).
 - Other Comprehensive Income (OCI) related line items and mappings added to the GMM and PAA direct insurance disclosure reports
 - *Reversal of Gain Component* line item and mapping added to disclosure report for both GMM and PAA reinsurance-held.

- Following line items and mappings added to GMM reinsurance-held disclosure: *Changes In CSM due to Gain Reversal, Changes in FCF that that do not adjust the CSM but adjust the Gain Component, Changes in FCF that that do not adjust the CSM and the Gain Component*
- The Subledger P&L Report displays *Incremental, YTD, and Reinsurance Data*.

1.5.1.2 Depreciated Features

There are no deprecated features in this release.

1.5.1.3 De-supported Features

There are no de-supported features in this release.

1.5.2 Installing this Minor Level Release

For detailed instructions to install this Minor Level Release, see the [Oracle Insurance Accounting Analyzer Installation Guide Release 8.1.1.2.0](#).

2 Oracle Insurance Accounting Analyzer Release 8.1.1.2.0

Oracle Insurance Accounting Analyzer Release 8.1.1.2.0 is a separately licensed product.

33300674 - OFS IAA Pack Release 8.1.1.2.0 includes all enhancements and bug fixes that are done since the 8.1.1.1.0 release.

This chapter includes the following topics:

- [Bugs fixed in this Release](#)
- [Known Issues or Limitations](#)

2.1 Bugs Fixed in this Release

The following bugs are fixed in this release:

Table 2: The List of Fixed Bugs in Release 8.1.1.2.0

Sl. No.	Bug Number	Bug Description
1	33214187	BATCH MONITOR FOR SUBLEDGER BATCH ARE SHOWING SUCCESS EVEN WE HAVE ERROR AND FAILED TO LOAD THE DATA TO TARGET TABLE
2	33193798	DELETION OF A SUBLEDGER RUN IN DRAFT STATUS
3	33154898	ISSUES/CLARIFICATION ON IFRS 17 RELATED NEWLY INSTALLED OFSAA 8.1.1
4	33092492	DERIVING YTD TO INCREMENTAL DATA AND INCREMENTAL TO YTD DATA BASED ON THE OPTED LC RUN TYPE
5	33068938	GETTING INVALID KEY ERROR MESSAGE ON CHANGING THE TRANSITION DATE IN CONFIG SCREEN
6	33044984	RETIRED BUTTON IS NOT ENABLED FOR APPROVED LIABILITY CALCULATION AND LC IS NOT IN USE
7	33024479	EXECUTION OF SUBLEDGER DEFINITION SHOULD NOT HAPPEN ONCE THE DEFINITION IS FINALIZED
8	33024035	RETIRE BUTTON IS DISABLE FOR THE APPROVED CALCULATION PREFERENCE AND NOT IN USE IN ANY LC
9	33017854	OCI HOTFIX DISAGGREGATE FUNCTION AND LINE ITEMS
10	32971441	CALCULATION PREFERENCE TEMPLATE NEW VERSION SAVING ISSUE
11	32938906	NOT FINALIZED SL RUNS DATA IS PRESENT IN JOURNAL ENTRY TABLE
12	32937642	VERSIONING NOT MAINTAINED IN SUBLEDGER ACCOUNTING ATTRIBUTES
13	32933788	OVERWRITE FLAG IS NOT WORKING AS EXPECTED WHILE IMPORTING VARIABLES IN 8.1
14	32911937	SL - PROFIT AND LOSS REPORT

Sl. No.	Bug Number	Bug Description
15	32815539	REQUESTING FOR READ FUNCTION/ROLE TO RESTRICT READ ONLY ACTION FOR APPLICATION CONFIGURATION SCREEN

2.2 Known Issues or Limitations

The following are the Limitations in Release 8.1.1.2.0:

- IFRS17 Reinsurance Transition method (MRA and FRA) is not supported.
- Currency Conversion in an environment where the OFS PFTI application is installed not synched.
- Exporting Subledger Accounting Rules in *View Mode* is not supported.

3 **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.

4 Hardware and Software Tech Stack Details

The hardware and software combinations required for OFS AAI 8.1.0.0.0 are available at [OFS Analytical Applications Technology Matrix](#).

5 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.

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- Is the information clearly presented?
- Do you need more information? If so, where?
- Are the examples correct? Do you need more examples?
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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 Oracle Support.

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