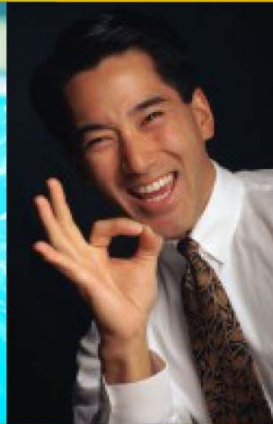


PRIVATE AND CONFIDENTIAL



OAB/OSB

Reduce Fast Formula Usage by
Optimizing Configuration



Agenda



- Introduction
- Focus
- Setting the Stage
- Benefits Fast Formula Types
- Review of Benefits Fast Formula
- Issues with Benefits Fast Formula
- References
- Conclusion

Introduction



- Principal Consultant with Xcelicor, Inc.
- 5+ Years experience with Oracle Advanced Benefits
 - as a consultant and as a member of the Oracle Benefits Development Team
- 5+ OAB Implementations
- Assists other OAB and OSB projects as a Subject Matter Expert
- Taught OAB for Oracle University
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Focus



- Fast Formula Avoidance
- Reduce the number of FF we have
- Plan and design a system that will optimize our applications

Setting the Stage



- FF are a method to modify process functionality delivered in the application
- Used to unlock the power of the apps
- Can use Functions to extend capabilities of the delivered Fast Formula language
 - include the complex calculation power of PL/SQL
- Fast Formulas are maintainable through a user interface, which validates syntax and compiles the Formula
- Now that fast formula has gracefully extended itself into the Benefits product we have added more.....



Benefit Fast Formula Types



- 100+ New Benefit Fast Formula Types
- Benefit Fast Formula are called Rules
- Why do we need so many new fast formula types? Types govern where the fast formula is available for use and since we have 80+ benefits forms that equates to 80+ fast formula types.

Benefit Fast Formula Types cont'd



- Why do we need to use benefits fast formulas when the application is so versatile and robust?
 - ✓ "If", "Ands", "Buts"
 - ✓ Optimization of HR data entry
 - ✓ Self Service requirements
 - ✓ Evaluate potential life events based on criteria not in the system
 - ✓ Default participant into a comp object based on HR indicative data
 - ✓ Use data stored in a flex field that is not currently available
- Fast Formula Cookbook
- Helps us to visualize what can be done and gives us a starting point to meet our client's requirements



Review Benefit Fast Formulas



- Let's review some common Benefits Rules and review the various ways that the requirements can be met

Case Study

Compensation Calculation

- Compensation is defined on the derived factors form
- There are three different seeded methods and one method of rule to define compensation.
 - ✓ Benefits Balance- Defined on Benefits Balance Form
 - ✓ Balance Type- payroll defined balance
 - ✓ Stated Compensation- Base Compensation
 - ✓ Rule- Fast Formula

Case Study

Comp Calculation cont'd

Stated Compensation- Base Comp only determined by one of the following periodicity

- Annual, Bi-Weekly, Monthly, Quarterly, Semi-Annually, Semi-Monthly, Weekly

Rule- Only use FF when the above methods cannot supply you with the results you need.

Compensation can represent a combination of earnings such as $\text{Compensation} = \text{base compensation} + \text{bonus} + \text{overtime} + \text{COLA}$.

Case Study

Coverage Calculation

- There are several ways to calculate coverage-
 - ✓ Multiple of compensation
 - ✓ Flat amount
 - ✓ Flat amount plus multiple of compensation
 - ✓ No standard values used
 - ✓ Rule
 - ✓ etc
- Most coverage's can be defined with seeded methods
- Tiered calculation built off of compensation will require a rule

Coverage Calc cont'd

ORACLE

PartnerNetwork

CERTIFIED PARTNER

Coverages

Name **Basic Life \$50,000** Type **Coverage**

General Calculation Method

Calculation Method **Flat Amount**

☐ Enter Value

Flat Amount **50000**

Min

Max

Increment

Default

Rounding Rule

Lower Limit Value

Low Limit Value Rule

Upper Limit Value

Upper Limit Value Rule

Effective Dates

Variable Coverage

Start **01-JAN-1951** End

Case Study

Post Election Edits

- Used when you must be enrolled in one plan to be eligible for another plan
 - You must be enrolled in part time medical to enroll in PT life
- Becomes more of an issue when using SSBEN
 - Not administered in house
- Can be handled with instruction text and exception handling
- May bundle if only one pre-tax rate is needed

Case Study

Person Selection

- Used in batch process parameters
- This rule can improve performance
- It can reduce the number of people that are processed
- Used in batch processes
- Seeded parameters act as selection rules
 - Organizations
 - Location
 - Payroll
 - Postal Zip Range
 - Benefits Group

Case Study

Life Event Evaluation

- Determines if the potential life event should fire
 - Non-employee types of Student will not have the New hire trigger fire for them
- Cleans up the potentials but is a luxury

Case Study

Life Event Evaluation cont'd

Life Event Reasons

Name	Type	Work
OSB General Benefits Adm	Evaluation Rule	LT_LER_EVAL
OSB Mar Stat to M	Description	
Added during Enrollment	Life Event Treatment	
Administrative	Timeliness Evaluation	
Age Changed	Timeliness Days	
Became Ineligible to Parti	Timeliness Period	
CW Bonus	Timeliness Period Rule	
CW Salary Increase	Occured Date Determination	
CW Stock Bonus	Selectable for Self Service	
Combined Age and Length	<input type="checkbox"/> Check Related Persons Eligibility	
Compensation Changed	<input type="checkbox"/> Override	<input type="checkbox"/> COBRA Qualifying Event
Enrollment Override	Causes Related Person Life Events	
Gain Child	Causes Related Person Life Event	Effective Dates
Gain Spouse		Start End []
Hours Worked in Period Cl		01-JAN-2003

Person Changes

Related Person Changes

Effective Dates

Start 01-JAN-1951 End []

Open

Case Study

Formulas Arising Out of SSBEN

- Self Service can change the way you look at design
- Plan review of design if adding SSBEN post go Live
- Possible changes to life events and discovery of new fast formulas requirements
 - gain a child life event only allows you to designate the child that triggered the life event not children that were previously in the system
- Instruction text and exception handling may be used instead of Rule

Case Study

Coverage/Rate Start Date

- 61 seeded start date codes
 - Effective date, event date, elections made date etc
- Code: First of the month on or after event date
- Rule: If hired on the first of the month use the first of the following month as coverage start or if hired on any other day than the first start coverage on the first of the following third month

Case Study

Waiting Period

- Do you really need them?
- Shouldn't you consider using Length of Service Factor and Temporal Event
- Can you use coverage start dates?

Case Study

Rehires

- Rehire rules based on prior LOS may affect current rates or coverage start dates
- Need a rule to look at the previous period of service to identify the event cvg/rate start, waiting period, eligibility
 - If person > 5 years los on prior service cog/rate start dates are first of next month no waiting periods on other plans If person < 5 years los waiting period in effect If prior LOS is > 10 years no waiting period and eligible for all plans

Issues with Rules



	Fast Formula	No Fast Formula
Benefits Fast Formula Knowledge	✓ yes	n/a
Maintenance	✓ yes	n/a
Modification	✓ yes	n/a
Testing	✓ yes	✓ yes
Performance	✓ yes	n/a

Conclusion



- Take a Holistic approach to all plan design especially Fast Formula
- The powerful flexibility of the application should minimize fast formula usage
- Careful consideration and reconsideration must be given to any fast formula initiative
- Redesign of client's business processes may be acceptable
 - Don't be afraid to question if a process which would take considerable FF development could be handled with a business process change
- Oracle quote, "A well set up, thought through and configured application will always give better performance....."



References



Required Reading (all on Metalink):

- OAB Fast Formula Reference Guide (Fast Formula Cook Book)
- Managing Total Compensation Using Oracle HRMS (US) 11i
- Benefits Technical Reference Manual
- Oracle Fast Formula 11i
- Oracle HRMS + Benefits Tuning & System Health Check

References cont'd



Strongly Recommend Oracle University Curriculum:

- Implement Advanced Benefits
- Implement Standard Benefits
- Technical Foundations for Advanced Benefits

Question and Answer



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