KaufmanHall
axiom software

Axiom Financial Planning 2018.2

Release Notes

Last Updated: 6/25/2018

KaufmanHall

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Contents

Summary

Kaufman Hall is pleased to announce the 2018.2 release of Axiom Financial Planning. Each product release provides new features, enhancements, and configuration options to meet your needs. Many of these features and enhancements are a direct result of your feedback and suggestions.

Summary of the upgrade process:

1. **Review product release notes** – Review this document to familiarize yourself with the new features and functionality.

2. **Schedule an installation date** – Contact support@kaufmanhall.com or your implementation consultant, and they will confirm an installation period with you.

3. **Back up Axiom database** – Kaufman Hall will confirm that you have a current backup of your Axiom database before applying the upgrade.

4. **Apply upgrade** – Arrange with your IT staff on an agreeable time for scheduled downtime to apply the program and product upgrade. This includes any post-upgrade hot-fix files that need to be copied into the system to address any post-release known issues that have been resolved.

5. **Complete manual updates** – After installing the upgrade, if needed, review any manual setup steps needed to enable features for this version.

Support

As always, we appreciate your support of Kaufman Hall and look forward to continuing to meet your financial management needs. If you have any questions about your upgrade, contact Kaufman Hall Software Support at 1-888-543-6833 or support@kaufmanhall.com.

Training

Kaufman Hall offers multiple training options for our customers. These courses are part of your maintenance agreement and are free of charge. We strongly urge you to take advantage of all training options, including:

- Self-help videos

- Recorded webinars

- Virtual training courses

For a complete listing of our courses, please visit www.kaufmanhall.com.

Product upgrade notes

When upgrading to the 2018.2 version of Axiom Financial Planning, keep in mind the following:

- This product upgrade contains updated templates, calculation methods, driver files, and remediated defects.
- KHA delivered reports may be replaced. Any report that you saved under a different name or created new will remain untouched. Replaced reports are available in Document History, if needed.
- Any KHA delivered report that was moved to a new location will automatically move back to its original location.
- KHA product templates and calculation method libraries will be replaced.
- Product task panes will be replaced.
- Process definitions will not be replaced.
- Security roles and sub-systems will be reset to their configured settings. All user security exceptions you may have made will remain intact.
- Specific items configured as part of your company or organization's implementation such as imports, exports, driver files, and process management files will remain as is. Any required modifications to these areas are covered in the release notes, if required.

New features summary

This section includes a description of the new features and enhancements included in this release.

Using model status descriptions

> **NOTE:** The changes listed here only apply to the file group prototype, which will create file groups for 2020 and beyond.

Administrators can now create customized status descriptions for models, making it easier to manage models. In the Control Panel, you can view and change the status of each model.
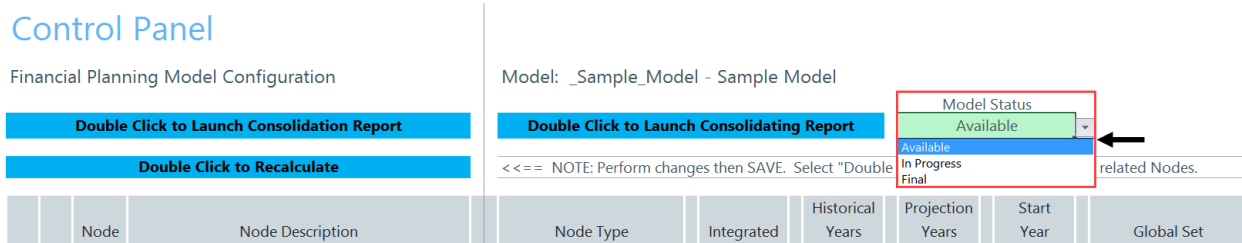
In reports, you can also use the Quick Filter utility to filter reports by model status, making for easier reporting.

For more information, see the following in the *Axiom Financial Planning 2018.2 Administrator's Guide*:

- For Administrator's, see "Configuring the Setup driver file" or "Modifying node settings."
- For End User's, see "Creating a model."

Enable or disable headers in all templates
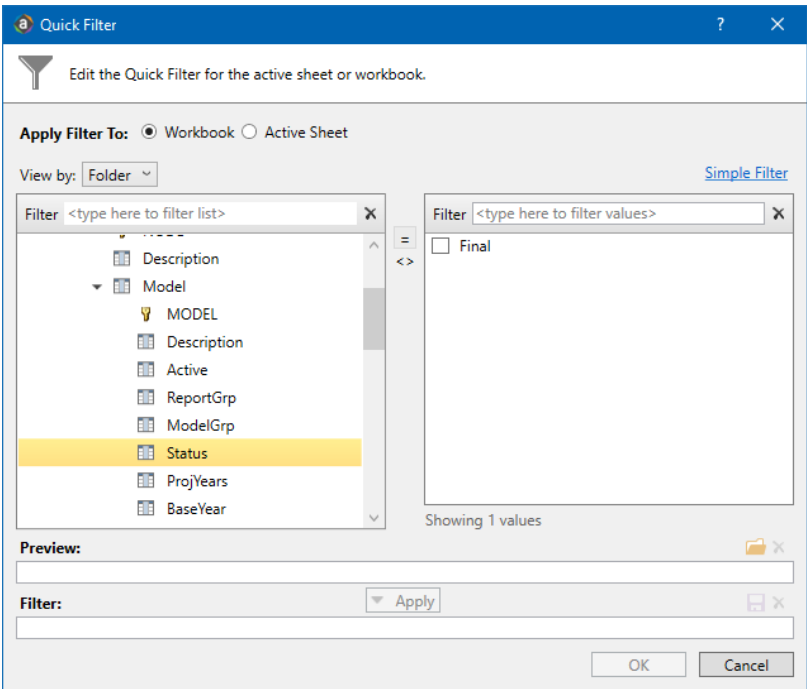
> **NOTE:** The changes listed here only apply to the file group prototype, which will create file groups for 2020 and beyond.

In the Setup driver file, you can now choose to display or hide headers in all plan files.

For more information, see "Configuring the Setup driver" in the *Axiom Financial Planning 2018.2 Administrator's Guide*.

Data grouped by code in Corporate Allocation driver

When you load data directly into the database and refresh the data, the Corporate Allocation now groups the imported data by code and calculates the subtotal for each group.

CorpAllocation		Overhead Allocations							
Allocation Years:		2017	2018	2019	2020	2021	2022	2023	2024

To create additional Allocations, double click the line following the last block.

Allocation Description	Allocation ID								
625081 - Allocated Other Oper Revenue 1									
Total Allocation		0	0	0	0	0	0	0	
726181 - Allocated Salaries 1									
726181	Womens	25	25	25	25	25	25	25	
Total Allocation		25	25	25	25	25	25	25	
726281 - Allocated Benefits 1									
Total Allocation		0	0	0	0	0	0	0	
726381 - Allocated Professional Fees 1									
726381	Womens	50	50	50	50	50	50	50	
Total Allocation		50	50	50	50	50	50	50	

Update historical data as option on plan file open

> **NOTE:** The changes listed here only apply to the file group prototype, which will create file groups for 2020 and beyond.

You can configure the Setup driver to automatically reload historical data into existing nodes without the need to delete and rebuild the nodes. If you select Yes in the **Update Historical Data when opening plan files** drop-down, the historical data automatically updates in the nodes when a user opens a plan file.

> **IMPORTANT:** This option only works for existing codes and payors. It will not insert or update data for new codes or payors.

Global Assumptions

Setup

Institution Name	KHA Health
Plan Description	Financial Plan
Current Operating Year (Base Year)	2019
Capital Allocation Year	2020
Leap Year Used in Balance Sheet and Statistics Calculations	NO
Allocations distributed to Operations Nodes	NO
Discount rate for NPV	10.0% <<Default - overrides can be performed in each global set
Data being loaded for Deductions	Allowances (Data entry for Reimbursement or Contractual Allowances)
Bad Debt by Payor	NO (Data Entry for Bad Debt by Payor)
Charity by Payor	NO (Data Entry for Charity by Payor)
Display Headers in Nodes	NO
Update Historical Data when opening plan files	NO ▼
	YES
	NO
Model Status Selections in Control Panel	
	Available
	In Progress
	Final
	Test
	Status 5

For instructions, see "Configuring the Setup driver file" in the *Axiom Financial Planning 2018.1 Administrator's Guide*.

Revenue Spread Utility

This new utility allows you to spread any of the statistics, gross charges, or contractual allowances by payor based off of any of the available spread types. For example, if you have gross charges broken out by payor, you can also break out contractual charges based off gross charges, discharges, etc. This means that if you have one item broken out by payor, you can spread out any of the others using the same methodology.

Control

For more information, see "Configuring revenue spread" in the *Axiom Financial Planning 2018.2 Administrator's Guide*.

Input bad debt and charity by payor for Initiatives

You can now model bad debt and charity by payor in the Initiative node.

Enhanced storage of summary output codes for nodes

We enhanced the way Axiom Financial Planning stores values from the templates to the Axiom database for summary values (Net Income, Operating Income, etc.) and ratios (Operating Margin, Operating EBIDA Margin, etc.). This allows you to run reports based on code instead of calculating results from model or node reports.

Redesigned the Capital tab of the Financial Statements report

The Capital tab of the Financial Statements report has been redesigned to provide a cleaner look and feel, allowing you to view information easier. Changes to the report include the following:

- Updated the Capital Position Analysis to show historical cash flow for the last three years

- Updated the credit profile for the same ratios by extending it for all years and consolidated the tables

Credit Analysis

Ratio/Statistic	NA	2017	2018	2019	2020	2021	2022
Total Operating Revenue	---	$0	$0	$0	$0	$0	$0
Net Patient Service Revenue	---	$0	$0	$0	$0	$0	$0
Operating Income	---	$0	$0	$0	$0	$0	$0
Operating EBIDA	---	$0	$0	$0	$0	$0	$0
Net Income	---	$0	$0	$0	$0	$0	$0
Cash Flow (Net Inc + Depr)	---	$0	$0	$0	$0	$0	$0
Unrestricted Cash	---	$0	$0	$0	$0	$0	$0
Total Debt	---	$0	$0	$0	$0	$0	$0
Capital Expenditures	---	---	$0	$0	$0	$0	$0
Profitability							
Operating Margin	---	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Operating EBIDA Margin	---	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Excess Margin	---	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Debt Position							
Debt Service Coverage (x)	0x	0.0x	0.0x	0.0x	0.0x	0.0x	0.0x
Total Debt to Capitalization	---	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

- Updated the Capital Capacity by extending it to all years

Net Capital Capacity

	2017	2018	2019	2020	2021	2022	2023	2024	2025
Estimated Debt Capacity [1]	($5,850,368)	($5,705,750)	($676,390)	$107,892	($291,299)	($989,526)	($2,173,508)	($4,361,973)	($9,641,513)
Long-Term Debt	203,992	270,770	196,642	196,642	196,642	196,642	196,642	196,642	69,250
Net Debt Capacity	(6,054,360)	(5,976,520)	(873,032)	(88,750)	(487,941)	(1,186,168)	(2,370,150)	(4,558,615)	(9,710,763)
Existing Unrestricted Cash	303,235	276,222	359,335	227,762	52,276	(299,799)	(901,325)	(1,962,894)	(4,551,946)
Minimum Cash Target [2]	2,007,120	2,071,606	1,719,031	1,639,723	1,673,176	1,728,651	1,827,183	2,010,228	951,383
Net Cash Position	(1,703,885)	(1,795,384)	(1,359,696)	(1,411,960)	(1,620,901)	(2,028,450)	(2,728,508)	(3,973,122)	(5,503,328)
Net Capital Capacity	**(7,758,245)**	**(7,771,905)**	**(2,232,728)**	**(1,500,710)**	**(2,108,842)**	**(3,214,618)**	**(5,098,657)**	**(8,531,737)**	**(15,214,091)**

- Added a fifth row on Capital Position Scenarios with 200 days cash

Capital Position Scenarios

Capital Position Scenarios Input

	Baseline plus (in Millions)			Baseline	Baseline less (in Millions)		
Baseline Increments	$150	$100	$50	$0	($50)	($100)	($150)

	Capital Scenarios						
Liquidity Scenarios	**Baseline plus $150M**	**Baseline plus $100M**	**Baseline plus $50M**	**Baseline**	**Baseline less $50M**	**Baseline less $100M**	**Baseline less $150M**
100 Days Cash on Hand	$ 150,000	$ 100,000	$ 50,000	$ -	$ (50,000)	$ (100,000)	$ (150,000)
125 Days Cash on Hand	$ 150,000	$ 100,000	$ 50,000	$ -	$ (50,000)	$ (100,000)	$ (150,000)
150 Days Cash on Hand	$ 150,000	$ 100,000	$ 50,000	$ -	$ (50,000)	$ (100,000)	$ (150,000)
175 Days Cash on Hand	$ 150,000	$ 100,000	$ 50,000	$ -	$ (50,000)	$ (100,000)	$ (150,000)
200 Days Cash on Hand	$ 150,000	$ 100,000	$ 50,000	$ -	$ (50,000)	$ (100,000)	$ (150,000)

Changes to Initiative node modeling for expenses

The following changes have been made to the Initiative Node:

▶ **Volume Adjustment and % Change**

You can use the **Volume Adjustment** and/or the **% Change** rows to add or subtract values from Total Inpatient Discharges.

In the following example, the Total Inpatient Discharges for 2020 is 1,000. For 2021, the organization expects a little over 1,000 discharges. The user can enter a 10% increase in the IP Discharge % Change row or add an additional 10 discharges in the Volume Adjustment row, or use a combination of both. This allows you to easily adjust volume amounts up or down using more than one option.

Inpatient Volume					
Global Assumption		0.00%	0.00%	0.00%	0.00%
IP Discharge % Change		10.00%			
Volume Adjustment		10			
Total Inpatient Discharges	1,000	1,110	1,110	1,110	1,110

▶ **Inputs for rates change to rate-per-statistic basis**

Instead of entering a dollar amount per year for each item, you can now enter a rate-per-statistics (rate per unit, rate per day, etc.), and then adjust the rates for different years. You can do this for Volume, Revenue, and Expenses.

For example, you can define what percentage of salaries are variable based on patient days and the number of FTEs. As a result, the user can see that the number of FTEs will increase as the number of patients increase.

| Salaries & Wages						
Routine FTEs	Patient Days	< Variable Exp Driver				
Variable FTE % change	100.00%					
Fixed FTE % change						
-Variable FTEs (Patient Days)		10.0	11.1	11.1	11.1	11.1
-Fixed FTEs	0.00%	0.0	0.0	0.0	0.0	0.0
Global Inflation Assumption			0.00%	0.00%	0.00%	0.00%
FTE Adjustment						
Total Routine FTEs		10.0	11.1	11.1	11.1	11.1

CurrentYear and PriorYear file group aliases update automatically

When creating a new file group using the prototype file group, the system automatically updates the CurrentYear and PriorYear file groups to the correct corresponding year without having to change them manually. For example, when creating a 2020 file group, the CurrentYear alias changes to 2019 and the PriorYear changes to 2018.

Create any year file group from file group prototype

You can now you can create a file group from prototype for any year up to 2025.

When creating a new file group, the system will now prompt you to enter a year for the file group.
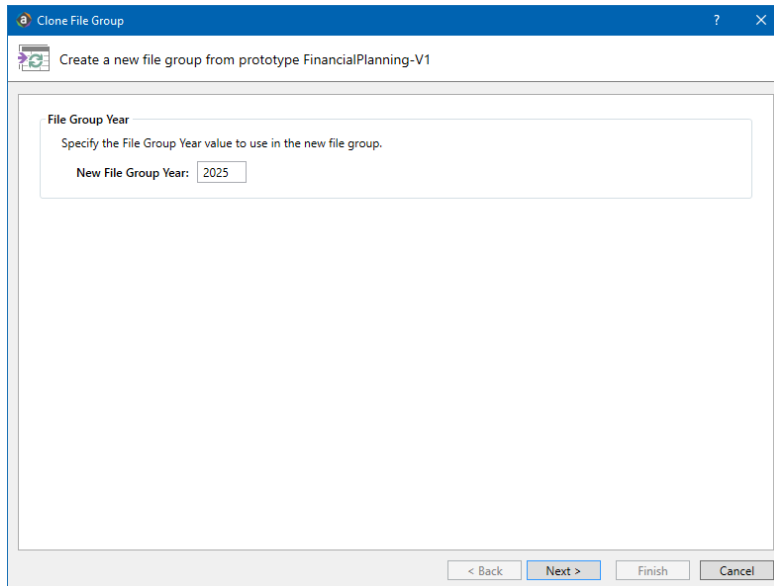
Deferred financing fees accounting change

Due to an accounting principle change, deferred financing fees have been reclassified as a liability rather than an asset. To address this, the New Debt node has been changed in the following ways:

- Row 321 - Deferred Financing Fees changed to Financing Fees

Financing Fees	0	0	5,896	5,692	5,489
Additions	0	6,099	0	0	0
Amortization of Additional Fees (Interest Expense)	0	203	203	203	203
Ending Balance	0	5,896	5,692	5,489	5,286

- Row 323 - Amortization of Additional Fees is now interest expense instead of amortization

Financing Fees	0	0	5,896	5,692	5,489
Additions	0	6,099	0	0	0
Amortization of Additional Fees (Interest Expense)	0	203	203	203	203
Ending Balance	0	5,896	5,692	5,489	5,286

- Row 336 - Long Term Debt now excludes the amortization

Long Term - New Debt	0	103,789	0	0	0
Current Maturities - New Debt	0	0	3,789	3,789	3,789
Interest Expense - New Debt	0	203	203	203	203

- Row 340 - Interest Expense now gets all of the interest expense that was previously amortization

Financing Fees	0	0	5,896	5,692	5,489
Additions	0	6,099	0	0	0
Amortization of Additional Fees (Interest Expense)	0	203	203	203	203
Ending Balance	0	5,896	5,692	5,489	5,286

- Row 416 - Deferred Financing Fees are now all zeroes because it is no longer specifically lined out

- Row 459 - Amortization now goes to interest expense
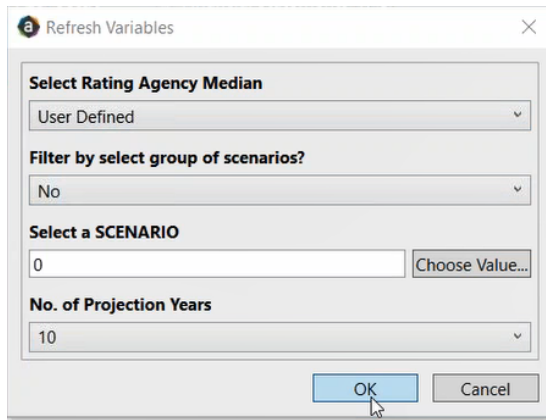

Add default rate medians

The Setup driver now includes two new configuration drop-downs:

- **Default Rating Agency Median for Reports** – For any report that uses a rating agency value, you can select the default rating agency to use as the default refresh variable.
- **Default Forecast Years Displays for Reports** – You can select the default number of years to display in the report.

When the refresh variables display for the report where the medians are used, such as a financial statement, the default rating agency displays the default selected in the Setup driver. The user can select another agency, if needed.

For more information, see "Configuring the Setup driver file" in the *Axiom Financial Planning 2018.2 Administrator's Guide*.

Issues resolved in 2018.2

The following table lists the resolutions for issues addressed in 2018.2, released on June 25, 2018:

Issue Description	Resolution
PFB-06548 - Financial Planning: Formula Error in Balance Sheet section of Physician Template [TFS 24150]	**Symptom:** There is a formula error in line 1442 (Before building) of the Uses of Cash section of the cash flows on the Physician Template when used as a balance sheet node. **Resolution:** Corrected by updating the formula in line 1444.
PFB-06578 - Premium Revenue and Health Plan Revenue [TFS 24788]	**Symptom:** In the FinancialStatements with Detail report, the Premium Revenue and Health Plan Revenue are both populated from the same value within the plan file, which causes the revenue to appear overstated. **Resolution:** Corrected by removing code 652800 (report row 113).
Financial Statements Report- Total row description is cut off [TFS 21589]	**Symptom:** The Total row description does not fully display. **Resolution:** Corrected so the full row description displays.
Financial Statements report has errors on Capital worksheet for Working Capital and Debt Payments [TFS 22157]	**Symptom:** The Capital tab of the Financial Statements report displays incorrect information for Principal Payments and Change in Working Capital in the Capital Position Analysis section. **Resolution:** Corrected by replacing several rows that had been accidentally deleted and updated the appropriate cells.
Scenario Review report has incorrect formulas on Capital worksheet [TFS 22249]	**Symptom:** The Capital tab of the Scenario Review report displays incorrect information for Principal Payments and Change in Working Capital in the Capital Position Analysis section. **Resolution:** Corrected by replacing several rows that had been accidentally deleted and updated the appropriate cells.
Research Node Faculty FTE [TFS 22702]	**Symptom:** The Research Node Faculty FTE global assumption does not pull in a value from the Baseline driver. **Resolution:** Corrected by changing cell AF304 to correctly pull in global assumption values.
Physician node does not include allocated interest [TFS 23036]	**Symptom:** The Physician template excludes allocated interest in the total. **Resolution:** Corrected by changing row 121 in the Practice tab to include allocated interest. This was changed in 2018 and 2019 file groups as well as the prototype file group.

Issue Description	Resolution
Acute Reimb CM note save issue [TFS 23350]	**Symptom:** When creating a node from the Acute template, the first code (974109) in the reimbursement calc method (CM) is replaced by (10105311). That code is the second code in the CM, so it is added twice. If a comment is added to 10105311, the node will not save as it tries to accumulate the data and displays a save error. **Resolution:** Corrected by deleting the save tag in the Acute template for payor 2 for the first line and the save tag in the Plan CM library for the 2019 file group and the prototype file group.
Consolidating by Model-Enterprise CM error [TFS 23713]	**Symptom:** The Total current assets row in the calc method does not foot because it is missing row 97. **Resolution:** Corrected by updating the formula in row 97.
Code Drill Report by Model doesn't show data after refresh variable selections are made [TFS 23722]	**Symptom:** The Code Drill Report by Model does not show data after the user selects refresh variables. To make the report work, the user must refresh the data a second time. **Resolution:** Corrected by enabling the report to refresh on open.

Manual setup instructions

There are no manual setup or configuration steps required for this release.

Known issues

The following table lists the known issues in this release:

Issue Description	Explanation
Data not cleared from DB when node Start Year changed [TFS 8822]	**Symptom:** If the Start Year for a node is changed after the node has been saved with data already entered, all the data columns do not cleared from the previous year that was selected. This is also an issue with the Rebuild function if a user changes the Start Year and then decides to use the Rebuild without first opening and saving the node. (Initiative nodes do clear data when the year is changed, provided that the year is not advanced more than two years.) **Explanation:** Open the FPDATAXXXX data table, and delete all of the records for the appropriate node. Next, open and save the node to populate the data tables properly.
Some reports are not formatted for drilling [TFS 14163]	**Symptom:** When drilling in some of the reports, the results may not have the correct formats. **Explanation:** Will be fixed in a future release.
Consolidated Node error when nodes have been deleted [TFS 11242]	**Symptom:** If the last node in the node table has been deleted, the integration utilities assign the next available node based on the current max node number, not accounting for the deleted nodes. When saving the utility, the system returns an error that the node cannot be found. **Explanation:** Create a manual node from the task pane (you can add it to the sample model), then refresh the utility, and save it. Creating a new node manually creates a new max node value and resolves the missing last node error.

> **IMPORTANT:** Refer to the **Axiom for Healthcare Suite 2018.2 Release Notes** for additional known issues that have a suite-wide impact.