

Workday Adaptive Planning: Hospitals and Clinics (H&C) Forecasting

Overview

The annual planning process will begin with the first quarter forecast in October of 2024. The standard planning cycle calls for two forecasts within a fiscal year: quarter one in October and quarter two in January. The need for additional forecasts throughout the year will be evaluated quarterly. Forecasts inform the Medical Center about how future operations will perform. In Workday Adaptive Planning, these forecasts include projecting future volumes, personnel/FTE's, revenues, and expenses, and will often begin with a rolling twelve-month average as the baseline. Then, adjustments can be entered as needed. Forecasts will provide a comparison of expected performance as compared to the BOD approved annual budget.

Whatever adjustments you put in the tool right now will stay as the projection, and your override will stay in the future months until it's replaced with actuals.

The first quarter is the biggest forecast with nine months of forecast, whereas the second quarter will have six months (including prepopulated with your Q1 forecast overrides).

Gather Reports (run outside of the Adaptive tool)

Run reports to reference budget data and FTE information

	<ul style="list-style-type: none"> ➤ Run the CR Fin Department Fiscal Year Budget Trend report in Workday <ul style="list-style-type: none"> ▪ Used to get the FY25 monthly budgeted amounts (including FTE stats) for your Group or cost center(s). ▪ The organization prompt will allow you enter select a 'cost center hierarchy, or you can select cost center(s). ▪ To get the data for all twelve months of FY25, you'll need to run the report with a period of FY25 – Jun.
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Accessing Adaptive Planning

Login to Adaptive

	<ul style="list-style-type: none"> ➤ Access Adaptive <ul style="list-style-type: none"> ○ https://www.myworkday.com/wday/authgwy/vumc/login.html ○ Click Menu, select the Adaptive Planning App ○ Select Adaptive Planning
	<ul style="list-style-type: none"> ➤ Select the hamburger (top-left corner) then Dashboards
	<ul style="list-style-type: none"> ➤ Select the Monthly Forecast – Statistics Dashboard

Monthly Forecast – Statistics (Volumes)

Note: changing a statistic will automatically update revenue. Certain areas have the ability to override.

Set your filters and open the Monthly Forecast Statistics Dashboard

- Set your filters first:
 - Level: Top Level (Only)
 - Operating Entity: select your operating entity (e.g. OEVUH Vanderbilt University Adult Hospital)
- Click on the Inpatient Statistics sheet

Inpatient Statistics Sheet (if applicable)

- Review instructions at the top
- Select the expand icon in the top-right corner to open up scrolling to forecast FY25
 - **Note:** this tool is not pre-populated with your FY25 budget. It displays a rolling 12-month history. Anything from your budget that is expected to happen in FY25 is not going to appear in rolling forecast.
- **Green numbers** are historical numbers and will be pre-populated
- Black numbers are forecasted numbers (based on a rolling 12-month average)
- **Blue numbers** are changes you have been made that have not been saved in the tool yet; they turn black once you click the save icon
- Bed Plan Adjustments sheet (if applicable)
 - **Licensed - Adjustments (+/-)** - any adjustments that will affect the licensed bed count should be made using this option
 - **Licensed to Available - Adjustments (+/-)** - any adjustments that will affect the bed count not relating to licensed beds should be made with this option (example, unlicensed beds or staffing to demand)
 - **Licensed - Occupancy %** - occupancy % for any projects or adjustments related to licensed beds should be made using this option
 - **Licensed to Available - Occupancy %** - occupancy % for any projects or adjustments related to licensed to available beds should be made using this option
 - **Licensed - ALOS** - option available to adjust ALOS related to Licensed beds
 - **Licensed to Available - ALOS** - option available to adjust ALOS related to Licensed to Available beds
- Patient Days + Discharges sheet (if applicable)
 - Patient Day Mix spread and ALOS Overrides should be made in the Patient Days and Discharges sheet in white input cells, by discharge type.

Key Procedures and Other Stats Sheets (if applicable)

- Review instructions at the top.
- Amount Adjustment (+/-) input an increase or decrease for Planning months.
 - Clinical departments may review these tabs or run a summary report to obtain context related to volume targets, i.e., how many projected ED visits or certain Key Procedures and OR Cases by entity.

Ambulatory Volumes Sheet (if applicable)

- Review instructions at the top.
- Adjustments should be made in Ambulatory Volume Adjustments sheet by OP Volume Project so comments and details can be broken out.
- The clinical department users will work with Finance between **10/11 and 10/18** to coordinate any adjustments that need to be added by Operating Entity and Clinical Department. Finance will enter those adjustments into this sheet on the dashboard for the appropriate Operating Entities. If clinical department users want to review and confirm the adjustments, they can come to the Ambulatory Volumes sheet and download/export to Excel to see those adjustments by entity/clinical department.

Monthly Forecast – Revenue

Note: changing a statistic will automatically update revenue. Certain areas have the ability to override.

Set your filters and open the Monthly Forecast – Revenue Sheet

	<ul style="list-style-type: none"> ➤ Set your filters first: <ul style="list-style-type: none"> ▪ Level: Top Level (Only) ▪ Operating Entity: select your operating entity (e.g. OEVUH Vanderbilt University Adult Hospital) ▪ Department Group: Department_Group (Uncategorized) 																						
Inpatient Revenue (if applicable)																							
	<ul style="list-style-type: none"> ➤ Review instructions at the top 																						
	<ul style="list-style-type: none"> ➤ Select the expand icon in the top-right corner to open up scrolling to forecast FY25 <ul style="list-style-type: none"> ○ Note: this tool is <u>not</u> pre-populated with your FY25 budget. It displays a rolling 12-month history. Anything from your budget that is expected to happen in FY25 is not going to appear in rolling forecast. 																						
	<ul style="list-style-type: none"> ➤ For the elements on this dashboard, please see the table below to determine if you need to enter data and where: 																						
	<table> <tr> <th>Input</th><th>Responsible parties</th></tr> <tr> <td>CMI</td><td></td></tr> <tr> <td>Payer mix %</td><td>Finance – Revenue Team</td></tr> <tr> <td>Payer mix % - override</td><td>Finance – Revenue Team</td></tr> <tr> <td>Gross Revenue per Discharge</td><td>Finance – H&C Operations</td></tr> <tr> <td>Net Revenue per Discharge</td><td>Finance – Revenue Team</td></tr> <tr> <td>Sub accounts under Total Net Per Adjustment %</td><td></td></tr> <tr> <td>• Payor contract escalators</td><td>Finance – Revenue Team</td></tr> <tr> <td>• Acuity</td><td>FP&A</td></tr> <tr> <td>• Efficiency</td><td>FP&A</td></tr> <tr> <td>• Other/RCA True up</td><td>Finance – Revenue Team</td></tr> </table>	Input	Responsible parties	CMI		Payer mix %	Finance – Revenue Team	Payer mix % - override	Finance – Revenue Team	Gross Revenue per Discharge	Finance – H&C Operations	Net Revenue per Discharge	Finance – Revenue Team	Sub accounts under Total Net Per Adjustment %		• Payor contract escalators	Finance – Revenue Team	• Acuity	FP&A	• Efficiency	FP&A	• Other/RCA True up	Finance – Revenue Team
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OP Gross Revenue																							
	<ul style="list-style-type: none"> ➤ Review the Gross Revenue projections 																						
	<ul style="list-style-type: none"> ➤ Methodology: <ul style="list-style-type: none"> ○ Variable - If a stat exists for the Stat Rev Type, the projection will be based upon a per unit amount. ○ Rolling 12 - If no statistic exists for the Stat Rev Type, the projection will be based on a Rolling 12 month average. 																						
	<ul style="list-style-type: none"> ➤ Enter any adjustments into the appropriate adjustments lines. Consider per unit amounts in your adjustment, but adjustment should be the dollar amount needed to achieve the desired forecast outpatient gross revenue by procedure. 																						
	<ul style="list-style-type: none"> ➤ Open the Consolidated Revenue sheet to see a summarized look at revenue accounts in one place. 																						
Academic, Research and Other Revenue																							
	<ul style="list-style-type: none"> ➤ Please review this sheet to determine if your operating entity has other revenue to be forecast here. ➤ If necessary, consult with the revenue team for guidance. 																						
Other Revenue Sheets:																							
	<ul style="list-style-type: none"> ➤ OP Net Review by Payor – Completed by the Revenue Team ➤ OP Other Net Revenue – Review to determine if accounts exist that should be FC by Finance Operations ➤ PB Revenue – applies to VMG only ➤ VMG Revenue Categories – applies to VMG only ➤ Non-VMG PB Revenue Categories – work with the Revenue Team when completing this sheet ➤ Third Party – Completed by the Revenue Team 																						

Monthly Forecast – Expense and Labor Dashboard

Set your filters and open the Monthly Forecast – Expense and Labor Dashboard

- Set your filters first:
 - Level: Top Level (Only)
 - Operating Entity: select your operating entity (e.g. OEVUH Vanderbilt University Adult Hospital)
 - Department Group: Department_Group (Uncategorized)
- Click on Non-Labor Expense Assumptions Sheet

Non-Labor Expenses Sheet

- Review instructions at the top of the sheet.
- Only white cells can be edited.
 - **Note:** display options can be changed using the Sheet Menu button in the top-right corner.
- Note the Calculated amounts in each account.
 - These are rolling averages. The tool is adding a month of actuals, then dropping a month to create this amount.
- Use the **override** row to replace the projection in the tool for each non-labor account (as needed).
 - **Note:** the override row is replacing a number. This is different than an adjustment.
 - Add notes on a cell to add context for an amount by right-clicking on a cell, then selecting **Add Note**.
- Confirm totals of each account on the Consolidated Expense Sheet.
- Click on the Labor sheet.

Labor Sheet

- Review instructions at the top
 - **Note:**
 - Any variable labor will be adjusted based on volumes
 - This sheet shows what labor should be based on volumes
 - Add a cell note for any justification to adjustments
- Select the expand icon in the top-right corner to open up scrolling to forecast FY25
 - **Note:** this tool is not pre-populated with your FY25 budget. It displays a rolling 12-month history. Anything from your budget that is expected to happen in FY25 is not going to appear in the rolling forecast.
- On this sheet, **adjust** Staff FTEs, Faculty FTEs, Temp FTEs as needed
 - **Green numbers** are historical numbers and will be pre-populated
 - Black numbers are forecasted numbers (variable - based on volume, and fixed – based on a rolling average)
 - **Blue numbers** are changes you have been made that have not been saved in the tool yet; they turn black once you click the save icon
 - FTEs - Personnel change – FTE (+) = add any FTEs
 - Use Historical Salary Expense per FTE to adjust Personnel Change Salaries (+) according to FTE adjustment
 - Right click in cell and copy to end
 - FTEs – Personnel change – FTE (-) = subtract any FTEs
 - **Note:** when subtracting, you must enter a minus (-) in front of the number
 - Use Historical Salary Expense per FTE to adjust Personnel Change Salaries (-) according to FTE adjustment
 - Right click in cell and copy to end
- Repeat process for Faculty FTEs and Temp FTEs

	➤ Bonus/Additional Pay <ul style="list-style-type: none"> ○ Used primarily in clinical areas for sign-on bonuses, blitz pay, double-incentive pay, referral bonuses
	➤ Market Increases <ul style="list-style-type: none"> ○ Even if you have budgeted for market increases, they are not in the tool. Add to forecast if appropriate.
	➤ Other increases <ul style="list-style-type: none"> ○ Used for merit increases. Calculate at 3.50% of wages beginning January 2025.
	➤ Check Total Labor Expense for FY2025 amount. This total will appear on the Consolidated Expense Sheet under the 5000 Staff Salaries: Exempt account.
Fringe Benefits Sheet	
	➤ After completing forecasting of FTE wages, open the Fringe Benefits Sheet to review the calculated fringe benefit forecast. <ul style="list-style-type: none"> ○ All wage adjustments will be included in total salaries on this sheet. Therefore, fringe benefit expense will be calculated on these total wages.
	➤ Calculate Fringe adjustment as needed – forecasted fringe rate should agree to the fringe rate shown in FY25 Q1 actuals (July, August, September).
	➤ Enter forecasted fringe amount in the Adjustments row.

Monthly Forecast – Allocations

Set your filters and open the Monthly Forecast – Allocations Dashboard

	➤ Set your filters first: <ul style="list-style-type: none"> ▪ Level: Top Level (Only) ▪ Operating Entity: select your operating entity (e.g. OEVUH Vanderbilt University Adult Hospital) ▪ Department Group: Department_Group (Uncategorized)
	➤ Click on Allocations: History Method sheet

FCST – Allocations: History Method

	➤ These accounts are either elimination accounts or true allocations. If you have History in an account, you can either choose to do adjustments or override the total number that is prepopulated in the appropriate rows. <ul style="list-style-type: none"> ○ Adjustments: Add or subtract from the Plan at Budget row ○ Override: replaces the number in the Plan at Budget row.
	➤ Click on the Allocations: Percent of Revenue sheet.

FCST – Allocations : Percent of Revenue

	➤ On this sheet, you can take the historical trended percentage and apply it to your revenue
	➤ To make changes you can either choose to override the Percent of Revenue row using the Override Percent of Revenue row, or you can adjust the Actuals/Budget/Forecast/LRP row using the Forecast Adjustment row.
	➤ After saving, the Final Forecast row will change.

Adaptive Reports

Report Name	Description
FCST.01 - VUMC Monthly Forecast (FY)	Shows monthly forecast based on Operating Entity selected. This report is an income statement similar to RPT 096 in Workday.
FCST.05 – FTEs and Wages-H&C	Shows FTE's and Wages in the categories used in the Labor sheet.