_Understanding
Calendar Years & Fiscal Years
CMS Hospital Inpatient Quality Reporting Program

The Centers for Medicare & Medicaid Services (CMS) uses quality data reported by hospitals from a previous calendar year to make payment decisions for a future year.
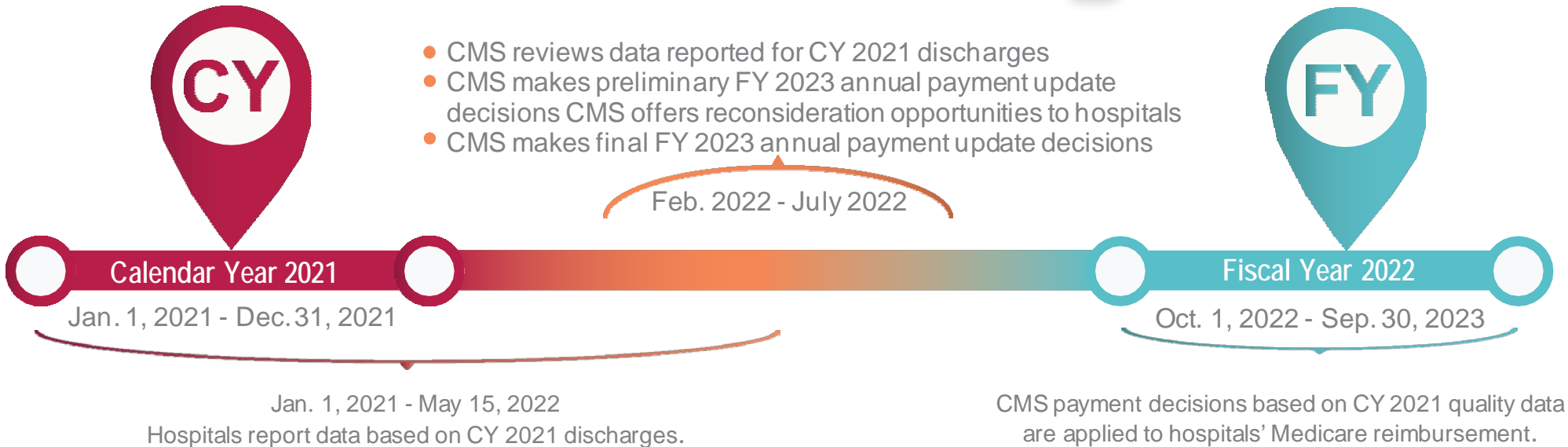
Past Year = **Calendar Year (CY)** (Sometimes called a reporting year)

Future Year = **Fiscal Year (FY)** (Sometimes called a payment year)

Every **Calendar Year** is connected to a specific **Fiscal Year** (e.g., CY 2021 reporting is connected to FY 2023 payment).

- CMS reviews data reported for CY 2021 discharges
- CMS makes preliminary FY 2023 annual payment update decisions CMS offers reconsideration opportunities to hospitals
- CMS makes final FY 2023 annual payment update decisions

Feb. 2022 - July 2022

CY

FY

Calendar Year 2021
Jan. 1, 2021 - Dec. 31, 2021

Fiscal Year 2022
Oct. 1, 2022 - Sep. 30, 2023

Jan. 1, 2021 - May 15, 2022
Hospitals report data based on CY 2021 discharges.

CMS payment decisions based on CY 2021 quality data are applied to hospitals' Medicare reimbursement.

Exceptions

Chart-Abstracted Data Validation: Quarters used in chart-abstracted data validation are not usually from a single CY (e.g., FY 2022 payment decisions are made using data from 3Q 2019 - 2Q 2020.) CMS has finalized policy to align CY quarters with validation, beginning with FY 2024 payment determination: Data validation efforts for FY 2023 payment determination will *only* be based on data from 3Q 2020 and 4Q 2020, and validation of FY 2024 payment determination can then align with a full CY using data from 1Q 2021 - 4Q 2021.

eCQM Data Validation: For FY 2023, one quarter of eCQM data from CY 2020 (1Q 2020, 2Q 2020, 3Q 2020, or 4Q 2020) will be validated.

HCP: Influenza Vaccination Coverage Among Healthcare Personnel data extend into previous CYs (e.g., FY 2023 payment decisions are made using data from the 2020-2021 flu season.

CBMs: Data used for claims-based measures are not usually from a single calendar year.

Tips

- Calendar Year + 2 Years = Fiscal Year (e.g., CY 2021+ 2 = FY 2023)
- "Fiscal Year 2023" is a kind of shorthand. "Fiscal Year 2023" refers to both CY 2021 reporting requirements and FY 2023 payment determination.