

## Billing for Loaner Chairs and Parts During Repair

<i>Department(s)</i>	<i>Funding</i>
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### Scope

All National Seating & Mobility policies and procedures apply to all owners, directors, officers, and employees of NSM and all related entities equally unless otherwise indicated.

### Purpose/Process Introduction

NSM may not have the ability to repair a client's chair at evaluation, and the client may need a loaner part or chair to maintain mobility until their chair is repaired. Often times, the repair may take longer than one day due to the need to order parts. The intent of this standard operating procedure is to clearly outline the steps required to secure reimbursement for loaner chairs or parts that are provided in these scenarios.

### Process

The following steps are required for reimbursement of temporary loaners during repair. These guidelines follow traditional Medicare requirements and can be used for other payers that reimburse for this service. As a first step for other payers, check each payer's UPD to understand if loaners during repair (K0462) are considered a billable and covered service. Medicare will pay one month's rental for the temporary replacement (K0462) of a beneficiary-owned piece of equipment while it is being repaired when the repair takes more than one day. When the supplier bills HCPCS code K0462 (temporary replacement for patient owned equipment being repaired, any type), specific information is required in the work order. This information is then used as a required narrative on the claim for payment.

1. HCPCS code, or manufacturer and brand name/number of the equipment being repaired, with date of purchase (Main Page of the work order)
2. A narrative description, manufacturer and brand name/number of the temporary replacement equipment (Line-item description in Detail)
3. A description of what was repaired (RX/DWO and/or Labor Detail)
4. A description of why the repair took more than one day to complete (Temporary Replacement Loaner Equipment Agreement Form)

## Procedure

### Identifying Loaners During Repair

Review the work order to determine if a loaner has been provided. This can be identified via the following methods:

1. A **Temporary Loaner** line item in the Repair work order Detail.

<b>Temporary Loaner</b>	K0462	1	Each	1.00	0.00		0.00	0.00	
Loaner Invacare TDX SP Powerchair K0861				0.00	0.00				
							0 %		60
<a href="#">Medicare CGS MEDICARE C CIGNA GOVERNMENT SERVICES</a>	Billing Qty	Auth	K0462						0.00
	1	Each	Bundle With:						
Valid Pricing Modifiers for K0462 are NU									
				Discrepancy	Coord. Benefits Amt			0.00	

2. The **Loaner** checkbox and information on the **Main** page of the Repair order is completed.

Loaner	<input checked="" type="checkbox"/>
Date Issued	05/20/2025
Loaner Serial#	10JE121231212
Invacare Pronto - Red / Gray with Tilt.	

3. A **Temporary Replacement Loaner Equipment Agreement** has been completed, signed, and uploaded into **Scan Docs**.

### Validate Funding and Allowed Amounts

1. Confirm that K0462 is a benefit of the payer/plan.
2. Validate that the information contained on the **Temporary Replacement Loaner Agreement** reflects the equipment that we provided (chair OR parts) and reason why repair took longer than one day.

<b>Description of Client owned chair:</b>		
Make: Motion Concepts	Model: ROVI X3 - Ultra-Low Power Positioning MAXX	HCPSCS:
Date of Purchase: 4/7/2020		
<b>Description of Loaner chair:</b>		
Make: Invacare	Model: Pronto M41	SN: 10JE8456123
<b>Description of Loaner parts if applicable:</b>		
HCPSCS: E2311	Description: Power Module	
HCPSCS: E2321	Description: Joystick	
HCPSCS:	Description:	
HCPSCS:	Description:	
<b>Short reason for why loaner is needed (Why repair took longer than a day):</b>		
Parts on order		

3. Verify the **Temporary Loaner** line item has been added to detail and includes the description of what loaner equipment was provided. *Only one K0462 line item per work order is allowed.*

4. On the **Temporary Loaner** line in detail, manually look up and enter one-month rental allowable amount for the HCPC of the replacement items we are providing on loan.
  - a. Example: If NSM provided a Loaner Invacare TDS SP Powerchair (K0861), the allowable should reflect K0861 RR, one month allowed amount.
  - b. Enter the allowed amount in both the billed price box and allowable box.
    - ii. If multiple loaner parts were provided, the price listed should be the sum of the allowables for all loaner parts provided.

<b>Temporary Loaner</b>	K0462	1	Each	1,026.25	0.00		0.00	0.00
Loaner Invacare TDX SP Powerchair K0861				0.00	0.00			
							0 %	60
Medicare CGS MEDICARE C CIGNA GOVERNMENT SERVICES	Billing Qty	Auth	K0462		NU			1026.25
	1	Each	Bundle With:					

- c. Press **Update Work Order** to save and set the billed charge and allowable.



- d. Validate the amounts were saved correctly. If an allowable amount populates that was different from what was entered, override the amount to reflect the one month rental allowable.

<b>Temporary Loaner</b>	K0462	1	Each	2,411.69	2,411.69		0.00	0.00
Loaner Invacare TDX SP Powerchair K0861				0.00	0.00			
							0 %	60
Medicare CGS MEDICARE C CIGNA GOVERNMENT SERVICES	Billing Qty	Auth	K0462		NU			1,026.25
100.00%   MSRP \$1,026.25	1	Each	Bundle With:					
Valid Pricing Modifiers for K0462 are NU				Zero Allowable/Manually Priced Method				

5. Process the work order for the repairs and loaner following standard procedure.
6. Note: The rental allowable for K0462 is subject to coinsurance and deductible amounts.

## References/Resources

Policy S-200 Delivering and Billing for Loaner Parts and Chairs  
Temporary Replacement Loaner Equipment Agreement Form

## Definitions

Term	Definition
Loaner	An in-stock item such as a wheelchair or part that is provided to the client temporarily on loan while their equipment is being repaired and/or replacement parts are on order.
K0462 – Temporary Replacement for Patient Owned Equipment Being Repaired	HCPC used to bill for a loaner chair or part during repairs that take longer than one day.

## Policy History

Creation/Revision/Review Date	Author/Reviewer	Approved by	Description
January 12 <sup>th</sup> , 2016	Service/Funding	Service/Funding	Policy Creation
June 5 <sup>th</sup> , 2025	Funding	Funding	Separated Funding Process from Service Policy S-200.