

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 11,306

IN THE MATTER OF:

Served April 24, 2008

SAMS HEALTH CARE SERVICES INC., )  
Suspension and Investigation of )  
Revocation of Certificate No. 1278 )

Case No. MP-2008-005

This matter is before the Commission on respondent's response to Order No. 11,263, served April 4, 2008.

**I BACKGROUND**

Under the Compact, a WMATC carrier may not engage in transportation subject to the Compact if the carrier's certificate of authority is not "in force."<sup>1</sup> A certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.<sup>2</sup>

Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 1278 for a minimum of \$1.5 million in combined-single-limit liability coverage and maintain on file with the Commission at all times proof of coverage in the form of a WMATC Certificate of Insurance and Policy Endorsement (WMATC Insurance Endorsement) for each policy comprising the minimum.

Certificate No. 1278 was rendered invalid on January 5, 2008, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 11,062, served January 7, 2008, noted the automatic suspension of Certificate No. 1278 pursuant to Regulation No. 58-02, directed respondent to cease transporting passengers for hire under Certificate No. 1278, and gave respondent thirty days to replace the expired endorsement and pay the \$50 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 1278. Respondent also was directed to file a new tariff because respondent's preexisting tariff was no longer effective.

Respondent subsequently filed a new tariff and paid the late fee. Respondent also filed a \$1.5 million primary WMATC Insurance Endorsement, but the endorsement had an effective date of January 19, 2008, instead of January 5, 2008. Order No. 11,263 accordingly gave respondent thirty days to verify cessation of operations as of January 5, 2008, in accordance with Commission Rule No. 28 and to

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<sup>1</sup> Compact, tit. II, art. XI, § 6(a).

<sup>2</sup> Compact, tit. II, art. XI, § 7(g).

corroborate the verification with a statement from respondent's only customer, Medical Transportation Management, Inc. (MTM).

In response, respondent has submitted a revised \$1.5 million WMATC Insurance Endorsement. The revised Endorsement is effective January 5, 2008, thus eliminating the 14-day gap in coverage under the original replacement endorsement. Respondent, however, has yet to file any statement regarding cessation of operations as of January 5 and has yet to file any statement from MTM, as required by Order No. 11,263.

## II. ORDER TO LIFT SUSPENSION AND CONTINUE INVESTIGATION

Because respondent has closed the 14-day coverage gap and is currently in compliance with Regulation No. 58, we will lift the suspension.<sup>3</sup> But given the state of this record, respondent will be directed to comply with Order No. 11,263 by submitting an affidavit stating when respondent ceased operating and by corroborating the affidavit with a statement from MTM.<sup>4</sup>

THEREFORE, IT IS ORDERED:

1. That the suspension of Certificate No. 1278 is hereby lifted.

2. That within thirty days from the date of this order, respondent shall:

- (a) submit an affidavit stating when respondent ceased operating in response to Order No. 11,062; and
- (b) corroborate the affidavit with a statement from MTM.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS YATES AND CHRISTIE:

FOR THE COMMISSION:



William S. Morrow, Jr.  
Executive Director

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<sup>3</sup> See *In re Ibrahim A. Fahadi*, No. MP-07-117, Order No. 10,850 (Oct. 19, 2007) (same).

<sup>4</sup> See *id.* (same).