

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

WASHINGTON, DC

ORDER NO. 8361

IN THE MATTER OF:

Served October 27, 2004

LOGISTICARE SOLUTIONS, LLC,)
Trading as LOGISTICARE, Revocation))
of Certificate of Insurance and)
Investigation of Suspension and)
Revocation of Certificate No. 524)

Case No. MP-2004-118

Under the Compact, a certificate of authority is not valid unless the holder is in compliance with the Commission's insurance requirements.¹ Commission Regulation No. 58 requires respondent to insure the revenue vehicles operated under Certificate No. 524 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.

Under Regulation No. 58-09, the Commission may, upon thirty (30) days' notice, revoke its approval of any WMATC Insurance Endorsement if, in the judgment of the Commission, such security does not comply with the Commission's regulations or for any reason fails to provide satisfactory or adequate protection for the public.

The \$1 million primary WMATC Insurance Endorsement on file for respondent was revoked effective July 17, 2004, pursuant to Order No. 8104, served June 17, 2004, after the issuing underwriter from AIG Healthcare indicated to Commission staff that the Endorsement was only intended to cover two of respondent's vehicles, notwithstanding the Endorsement's declaration that the policy is amended to cover respondent's use of any vehicle in performing transportation subject to certification under the Compact, whether or not such motor vehicle is described in the policy. The order stated that any replacement Endorsement filed by AIG Healthcare would be accepted only if the underwriter executed a separate written affirmation of the insurance company's commitment to pay claims in accordance with the Endorsement.

Certificate No. 524 became automatically suspended under Regulation No. 58-02, and subject to revocation pursuant to Article XI, Section 10(c), of the Compact, when respondent failed to file the

¹ Compact, tit. II, art. XIII, § 7(g).

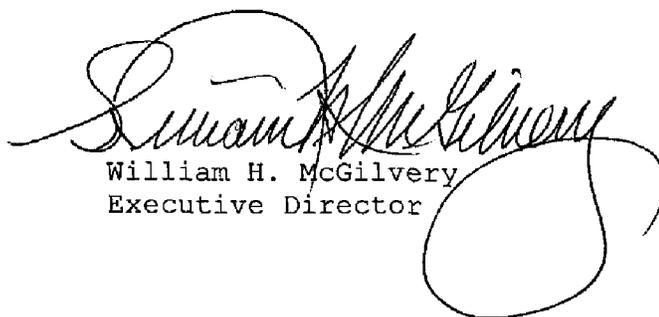
necessary replacement WMATC Insurance Endorsement(s) within thirty days, as noted in Order No. 8192, served July 27, 2004.

On October 26, 2004, the Commission received an acceptable primary WMATC Insurance Endorsement from AIG Healthcare and a separate letter from the underwriter. The Endorsement is effective May 14, 2004, expires December 9, 2004, and brings to \$5 million respondent's total coverage on file with the Commission. The letter states that the insurance company "will pay claims in accordance with the WMATC endorsement and in accordance with the terms of the insurance policy we are providing." Inasmuch as the WMATC Insurance Endorsement expressly amends the underlying policy to assure compliance by the insured with the Commission's insurance requirements, we take the pledge to pay claims in accordance with the endorsement and policy as an assurance that claims will be paid in accordance with the policy as amended by the WMATC Insurance Endorsement. As so construed, the underwriter's statement meets the requirements of Order No. 8104.

Accordingly, the suspension is lifted, and this investigation is terminated.

IT IS SO ORDERED.

FOR THE COMMISSION:



William H. McGilvery
Executive Director