

WASHINGTON METROPOLITAN AREA TRANSIT COMMISSION

SILVER SPRING, MARYLAND

ORDER NO. 19,431

IN THE MATTER OF:

Served July 12, 2021

ACE MED TRANSPORTATION, INC,                    )  
Suspension and Investigation of                )  
Revocation of Certificate No. 455            )

Case No. MP-2020-158

This matter is before the Commission on respondent's response to Order No. 18,970, served August 24, 2020.

**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. 455 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. 455 was automatically suspended on August 10, 2020, pursuant to Regulation No. 58-12, when the \$1.5 million primary WMATC Insurance Endorsement on file for respondent terminated without replacement. Order No. 18,939, served August 10, 2020, noted the automatic suspension of Certificate No. 455, directed respondent to cease transporting passengers for hire under Certificate No. 455, and gave respondent 30 days to replace the terminated endorsement and pay the \$100 late fee due under Regulation No. 67-03(c) or face revocation of Certificate No. 455.

Respondent thereafter paid the late fee and submitted a \$1.5 million primary WMATC Insurance Endorsement, and the suspension was lifted in Order No. 18,970. However, because the effective date of the new endorsement was August 21, 2020, instead of August 10, 2020, leaving an 11-day gap in required insurance coverage, the order directed respondent to verify cessation of operations as of August 10, 2020, in accordance with Regulation No. 58-14. The statement was to be corroborated by copies of respondent's pertinent business records from

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

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

May 1, 2020, to August 24, 2020, and a written statement from Medical Transportation Management, Inc., (MTM), a principal client of record, which contracts with WMATC carriers to provide passenger transportation service under the District of Columbia Medicaid program.

**II. RESPONSE AND ORDER TO TERMINATE PROCEEDING**

On September 1, 2020, as supplemented on January 19, 2021, respondent produced a statement from its general manager, Kenechukwu Mgbodille; a letter from MTM; copies of respondent's bank statements for the period beginning May 1, 2020, and ending August 31, 2020; copies of remittance advices for the period beginning May 14, 2020, and ending August 27, 2020; and daily trip logs for the period beginning May 1, 2020, and ending August 8, 2020.

Respondent states that it ceased all operations in the Metropolitan District from August 10, 2020, to August 24, 2020. This statement is corroborated by MTM, which submitted a letter indicating respondent ceased operations on its behalf from August 10, 2020, to August 24, 2020. The monthly bank statements submitted by respondent show activity consistent with a halt in operations and also show that MTM was respondent's sole paying client in the months immediately preceding the suspension period.

Based on the evidence, we find that respondent has demonstrated cessation of operations during the suspension period. Accordingly, this proceeding is hereby terminated.

IT IS SO ORDERED.

BY DIRECTION OF THE COMMISSION; COMMISSIONERS HOLCOMB, RICHARD, AND LOTT:



Jeffrey M. Lehmann  
Executive Director