
Washington Metropolitan Area Transit Commission

Insurance Filing: Frequently Asked Questions (FAQs)

Carriers holding a WMATC Certificate of Authority must maintain proof of adequate insurance coverage on file with WMATC at all times.

Q. How much insurance coverage must a WMATC carrier have?

A. Carriers holding a restricted WMATC Certificate of Authority must maintain \$1.5 million in combined single limit (CSL) coverage. Carriers holding an unrestricted WMATC Certificate of Authority must maintain \$5 million in CSL coverage for all vehicles, regardless of actual vehicle size.

Q. What constitutes acceptable evidence of coverage?

A. The Commission will only accept a WMATC Certificate of Insurance and Policy Endorsement (hereinafter Endorsement) as evidence of coverage. A sample Endorsement is available in the forms section of the WMATC website at www.wmatc.gov. Certificates of Insurance, ACORD forms, and Form E's are not acceptable.

Q. Why does WMATC require use of its Endorsement form?

A. The Endorsement amends the underlying insurance policy to ensure that passengers and members of the public will be compensated for injuries and damages even if an incident involves a vehicle not listed on the carrier's insurance policy. The Endorsement also amends the insurance policy to ensure that coverage cannot be cancelled except on 30 days written notice to WMATC.

Q. How is an Endorsement filed?

A. All Endorsements must be filed using WMATC's Insurance e-filing system. Insurance e-filing account usernames and passwords are only given to pre-authorized insurance companies (see below). In the event that the WMATC e-filing system malfunctions, authorized filers may temporarily file an Endorsement by email, fax, mail, or courier.

Q. Why might an Endorsement be rejected by WMATC?

A. Common reasons for rejection of an Endorsement are: 1) the carrier name on the Endorsement does not match the name of the carrier approved by WMATC; 2) the carrier address on the Endorsement does not match the carrier address on file with WMATC; 3) the dates on the Endorsement indicate an obvious clerical error (e.g., the effective and expiration dates are the same); and 4) the filer is not an insurance company authorized to file Endorsements with WMATC.

Q. May a carrier have multiple insurance policies comprising the minimum amount of coverage?

A. Carriers can satisfy the required amount of coverage through a combination of primary and excess insurance policies, but a separate Endorsement must be submitted for each policy. For example, a carrier required to have \$5 million in CSL coverage could submit a \$1 million primary Endorsement and a separate \$4 million excess Endorsement.

Q. Where can a carrier obtain insurance coverage?

A. Carriers are advised to contact an insurance agent or broker in the state where the vehicles will be garaged to help them find suitable coverage. For a list of some agents and brokers, see page 3.

Q. Once accepted, how long is an Endorsement effective?

A. An Endorsement terminates upon the earliest of the following events: 1) the Endorsement expires; 2) the effective date of a written notice of cancellation filed by the carrier or insurance company; 3) the Endorsement is replaced by an acceptable later-executed Endorsement; 4) 30 days after WMATC receives a carrier's written request to terminate its WMATC Certificate of Authority; 5) 30 days after WMATC revokes a carrier's WMATC Certificate of Authority; or 6) WMATC revokes the Endorsement because in its judgment the Endorsement fails to provide satisfactory or adequate protection to the public. All Endorsements terminate at 12:01 a.m. on the date of termination.

Q. What if the Endorsement on file with WMATC terminates without replacement?

A. A carrier's authority to operate within the Metropolitan District is automatically suspended once a WMATC Endorsement comprising the minimum required level of insurance coverage terminates without replacement. Upon termination of an Endorsement, a carrier must cease operations within the

Metropolitan District immediately. On the Endorsement's termination date, or the first business day following termination, WMATC routinely issues a suspension order and notifies any government or private entities that have transportation contracts with the carrier.

Q. What if a carrier did not know its Endorsement terminated?

A. Carriers are responsible for ensuring an effective Endorsement is on file at WMATC at all times. If a carrier is unsure when its Endorsement is scheduled to terminate, it should check the carrier insurance information displayed on the WMATC website or contact WMATC. Carriers have a duty to obtain written confirmation from WMATC that an acceptable replacement Endorsement is on file before operating on or after an Endorsement's termination date.

Q. If a carrier has been suspended by a WMATC order, when can it resume operations?

A. Once a suspension order has been issued by WMATC, a carrier may not resume operations until WMATC has issued a second order lifting the carrier's suspension. An acceptable replacement Endorsement must be filed and the carrier must pay any outstanding fees, including a \$100 insurance late filing fee, before WMATC will issue an order lifting the suspension. Carriers that operate within the Metropolitan District while suspended are subject to fines up to \$5,000 per day.

Q. What if a carrier fails to replace its insurance coverage or pay any outstanding fees?

A. A carrier that fails to replace an Endorsement or pay any outstanding late fees within 30 days of a suspension order is subject to revocation of its WMATC Certificate of Authority.

Q. What if a carrier's WMATC Certificate of Authority has been revoked?

A. A carrier has 30 days to request reconsideration of a WMATC order revoking its Certificate of Authority. After 30 days, a carrier wishing to resume operations must re-apply for a Certificate of Authority.

Q. Can a carrier temporarily suspend operations to avoid the WMATC insurance requirements?

A. A carrier may apply to temporarily suspend its WMATC Certificate of Authority. However, a carrier that fails to maintain an Endorsement on file for 30 consecutive days is subject to revocation of its WMATC Certificate of Authority.

Q. What if the replacement Endorsement reveals a gap in insurance coverage?

A. If a replacement Endorsement specifies an effective date after the date the previous Endorsement terminated, WMATC demands copies of a carrier's business records to ensure the carrier did not operate without adequate insurance coverage. Evidence that a carrier placed the public at risk by operating while suspended and without adequate insurance routinely results in revocation of that carrier's WMATC Certificate of Authority.

Q. How does an insurance company obtain authorization and gain access to the WMATC insurance e-filing system?

A. To obtain a username and password for WMATC's insurance e-filing system, submit by mail: 1) a current state license demonstrating the company is licensed to offer insurance in one of the 50 states or the District of Columbia; 2) the company's NAIC number; and 3) an original signed written request on company letterhead from the head of underwriting. This request must contain specific language that can be obtained by contacting WMATC's insurance compliance specialist at insurance@wmatc.gov.

Q. Can an insurance agent or broker file an Endorsement on behalf of an insurance company?

A. An insurance agent or broker may not file an Endorsement on behalf of an insurance company unless the insurance company's head of underwriting has authorized the agent or broker to amend policies and bind the company.

Q. Can a carrier self-insure?

A. Carriers may apply to self-insure, which if approved, eliminates the need to maintain an Endorsement on file with WMATC. The application fee is \$6,000. Carriers are encouraged to contact WMATC before submitting an application for self-insurance.

District of Columbia

Howard Eales Inc.
John Luhman
5157 MacArthur Blvd., N.W.
Washington, DC 20016-3315
(202) 363-4088

Maryland

Martens-Johnson Insurance
Bryan Johnson
6227 Executive Boulevard
Rockville, MD 20852-3906
(301) 231-5447

Sackett Cook & Associates/TIB
Benjamin Cook
600 Fairmount Avenue, #106
Towson, MD 21286-1000
(410) 828-7076

Virginia

Stathis Insurance
Peter Stathis
117 East Annandale Road, #E
Falls Church, VA 22046
(703) 532-0777

This is a list of some insurance agents and brokers that conduct business with WMATC carriers. Inclusion on this list does not constitute a recommendation or endorsement by WMATC.