

GOVERNMENT OF THE DISTRICT OF COLUMBIA
OFFICE OF THE ATTORNEY GENERAL

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Attorney General Racine Joins Regional and Federal Partners in Settling Fraud Case against WMATA Contractor

Case Involved Claims of Fraudulent Billing by MV Transportation for MetroAccess

WASHINGTON, D. C. – Attorneys General Karl A. Racine, Mark R. Herring and Brian E. Frosh announced today that the District of Columbia, Virginia, Maryland and the federal government have reached a settlement with MV Transportation, a private corporation that provides transportation management services. The settlement resolves claims that the contractor falsely billed the Washington Metropolitan Area Transit Authority (WMATA) for transportation of elderly and disabled riders as part of the MetroAccess program.

WMATA is a tri-jurisdictional government agency that operates transit services in the Washington metropolitan area, covering the District, Northern Virginia, and Montgomery and Prince George’s Counties in Maryland. WMATA provides paratransit or other special transportation services to individuals with disabilities. MetroAccess is WMATA’s paratransit system and provides door-to-door, shared-ride services. MV Transportation is a contractor that provides MetroAccess services.

The assertions of fraudulent billing were initially filed by whistleblowers who made two major allegations:

- That MV Transportation had been charging MetroAccess for “cancelled” trips when, in fact, the would-be rider had died weeks earlier; and
- That MV Transportation had charged MetroAccess for more expensive wheelchair-accessible vehicles for riders who did not need the pricier service.

Under the terms of their contract with WMATA, MV Transportation was allowed to bill MetroAccess for a “cancellation at the door” that occurred after the vehicle had already arrived at the rider’s home. Drivers were also responsible for informing supervisors when they were made aware that a rider had passed away so that no further trips would be scheduled and charged. Instead, the lawsuit alleged, MV Transportation would

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continue to list the pickup, forcing a “cancellation at the door” and allowing MV Transportation to bill MetroAccess when no trip was fulfilled and, in fact, the would-be rider was deceased.

The suit also alleged that MV Transportation would send wheelchair-accessible vehicles to pick up riders the company knew did not use a wheelchair, resulting in a charge to WMATA that was nearly double what it should have been.

Under the terms of the settlement, Virginia will recover \$22,531, Maryland will recover \$92,040, and the District of Columbia will recover \$35,831.

“Ensuring integrity in the use of taxpayer money is a top priority for this office and one of the key roles of any state attorney general. We were proud to work with our colleagues from Maryland, Virginia and the federal government to safeguard the funds of this crucial inter-jurisdictional agency,” said Attorney General Racine. **“This case is just one example of the regular regional cooperation that takes place between our offices to protect our residents, and I look forward to continued collaboration on multiple issues with Attorney General Frosh, Attorney General Herring and the federal government.”**

“Each state pays into the Metro system, and we expect that our taxpayers’ contributions will be used for the benefit of riders, not lost to fraudulent billing practices,” said Virginia Attorney General Herring. “I’m proud we were able to work with our partners in Maryland, the District of Columbia, and the federal government to investigate and resolve these allegations, and riders can be sure that we will remain vigilant in protecting their investment in Metro.”

“Through the help of whistleblowers, and thanks to the Maryland False Claims Act, which was updated to include protections for whistleblowers in 2015, we’ve been able to recoup over \$150,000 for our regional partners and the federal government,” said Maryland Attorney General Frosh. “We will continue to be aggressive in pursuing companies that attempt to increase their bottom lines by defrauding the government. I want to thank our counterparts in Virginia, the District of Columbia, and the federal government in helping to combat fraud committed against state and local governments.”

The parties have filed the settlement agreement and a dismissal order in the U. S. District Court for the District of Columbia. The defendants have admitted no wrongdoing as part of the settlement. The case was originally filed under seal in 2014 by whistleblowers who were formerly employed as drivers by the defendants.

“I want to thank the attorneys in our Public Interest Division who worked so hard, alongside their colleagues from other jurisdictions, to obtain this settlement: Assistant Attorney General Jane Drummey, Deputy Attorney General Sally Gere, and Assistant Deputy Attorney General Bennett Rushkoff,” Attorney General Racine said.

A copy of the settlement agreement between the District, Virginia, the federal government and MV Transportation is attached. Maryland reached a separate agreement with MV Transportation.

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