Date: May 13, 2021

To: Board of Transportation Commissioners

From: Seleta J. Reynolds, General Manager

Subject: RECOMMEND APPROVAL OF THE APPLICATION OF SAFE RIDE MEDICAL TRANSPORTATION INC DBA SAFE RIDE MEDICAL TRANSPORTATION FOR ONE UNRESTRICTED NON-AMBULATORY PASSENGER VEHICLE PERMIT

RECOMMENDATIONS

That your Board:

a. Find that Safe Ride Medical Transportation Inc dba Safe Ride Medical Transportation, based upon evidence of patients in need of transportation; public convenience and necessity, requires the operation of one unrestricted non-ambulatory passenger vehicle.

b. Grant one unrestricted non-ambulatory passenger vehicle permit to Safe Ride Medical Transportation Inc dba Safe Ride Medical Transportation contingent upon:

1. The applicant filing with the Department in such form as the Department requires, and thereafter keeping in full force and effect a policy of automobile liability insurance acceptable to the City Attorney and the City Risk Manager;

2. The drivers and attendants obtaining the required permits;

3. The applicant obtaining commercial or exempt registration for the vehicles;

4. The vehicles passing Department inspection;

5. The applicant complying with all Board rules and regulations and City ordinances pertaining to the operation of non-ambulatory passenger vehicles;

6. The applicant charging only those rates for non-ambulatory passenger vehicle service as set forth in Board Order No. 602 (Ordinance No. 182,502) and successor regulations; and

7. The vehicles must be placed into service within 120 days after the Board of Transportation Commissioners (Board) approval, or such authority shall become invalid. Upon written request and for good cause, the Department, in its discretion, may grant
an extension of time beyond the initial 120-day period after Board approval. Any request for an extension beyond the initial deadline date must be received prior to the 120-day deadline. Furthermore, if an extension is granted, only one extension may be allowed per application.

c. **Impose** a one-year probationary period.

**INITIATED BY**

On March 10, 2020, the Department received an application from Lilit Arutyunyan, CEO of Safe Ride Medical Transportation Inc dba Safe Ride Medical Transportation (Safe Ride Medical Transportation), 5816 Lankershim Boulevard, Unit 9, North Hollywood, California 91601, requesting one non-ambulatory passenger vehicle permit to be used as a wheelchair van (Attachment 1). On April 6, 2021, Ms. Arutyunyan submitted additional documents needed to complete the application.

**DISCUSSION**

Safe Ride Medical Transportation is not currently authorized by the Board to operate any vehicle for hire in the City of Los Angeles. On October 8, 2020, Safe Ride Medical Transportation was approved by the Board to operate one unrestricted non-ambulatory passenger vehicle permit; however, the company was unable to place the vehicle into services within 150-day period (120-day plus one time 30-day extension) after the Board approval based upon the City’s rules and regulations. Therefore, the one previously granted non-ambulatory passenger vehicle permit was invalidated by the Department.

The history of Safe Ride Medical Transportation’s business is as follows: On September 9, 2019, the Articles of Incorporation of a General Stock Corporation were filed with the California Secretary of State establishing Safe Ride Medical Transportation Inc (Attachment 2). On September 23, 2019, a Statement of Information (Domestic Stock and Agricultural Cooperative Corporations) was filed with the California Secretary of State, naming Lilit Arutyunyan as Chief Executive Officer, Chief Financial Officer, and Secretary of the company (Attachment 3). On January 17, 2020, Safe Ride Medical Transportation Inc filed a Fictitious Business Name Statement with the Los Angeles County Clerk to do business as Safe Ride Medical Transportation (Attachment 4). Lilit Arutyunyan is the sole shareholder of the company.

**Public Convenience and Necessity**

The application of Safe Ride Medical Transportation was evaluated against Section 2 of the Guidelines for Establishing Public Convenience and Necessity as established by the Board on August 11, 2005, for applicants with no unrestricted non-ambulatory passenger vehicle permits (Attachment 5).

a. **Experience** – The resume of Lilit Arutyunyan, Owner and General Manager of Safe Ride Medical Transportation was submitted. The applicant states that she also worked as the dispatch manager for the Safeway Medical Transportation from January 2019 to present, and she was also the CEO and owner of B & L Express Inc. from September 2017 to April 2020. Her resume states that she hired and trained employees, coordinated service, scheduled repair and maintenance of vehicles, established positive relationship with brokers and medical facilities to provide smooth and excellent service, administered payroll, and were in charge of dispatch management.
b. **Background Check** – A background check was conducted on the owner and general manager of Safe Ride Medical Transportation, and no disqualifying criminal history was found as listed in Board Order No. 600.

c. **Financial Capability** – The applicant submitted the Department of Motor Vehicle’s registration for one non-ambulatory passenger vehicle. The applicant also submitted financial documentation showing that the company demonstrates sufficient liquid assets to support the request for one non-ambulatory passenger vehicle permit.

d. **Reason for Requesting Permits** – The applicant states that the Los Angeles County is currently under served in medical transportation services, and they plan to provide services to the local skilled nursing facilities that are in need of good quality and timely services.

e. **Impact on Existing Transportation Providers** – The applicant states that there is no negative impact on the existing transportation providers, because based upon the weekly records from the local transportation brokers that there are hundreds of calls unserved. They plan to cover those missed trips.

f. **Description of Public Benefit** – The applicant states that there is a need for more medical transportation vehicles, and they will fill the needs of the public who requires non-ambulatory passenger wheelchair van services and reduce the waiting time for the patients.

g. **Business Plan** – The applicant submitted a business plan that includes the company’s days and hours of operation, dispatching procedures, employee training plans, affirmative action policy, method of monitoring the quality of service, and emergency procedures. The hours of operation for the transportation service are seven days a week, 24 hours a day, and the office hours are Monday through Friday, from 9 a.m. to 5 p.m.

On October 8, 2020, Safe Ride Medical Transportation was previously granted the authority by the Board to operate one unrestricted non-ambulatory passenger vehicle in the City; however, the company was unable to place the vehicle into services within 150-day period after the Board approval according to the City’s rules and regulations. For this reason, the one unrestricted non-ambulatory passenger vehicle permit that was previously granted by the Board was invalidated by the Department. Furthermore, on March 3, 2021, Safe Ride Medical Transportation was found to violate the City’s rules and regulations when it allowed an unpermitted driver to operate an unpermitted non-ambulatory passenger vehicle. It is staff’s recommendation that based on this incident, a one-year probationary period be imposed on this company should the Board grant Safe Ride Medical Transportation Inc dba Safe Ride Medical Transportation a permit to operate one unrestricted non-ambulatory passenger vehicle in the City of Los Angeles. If the company is found in violation of any rules, regulations, laws or statues of the City, County, or State within the probationary period, it shall result in the revocation of all authorities without any further action from the Board.

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Attachments