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**IN THE SUPERIOR COURT OF THE STATE OF WASHINGTON
IN AND FOR THE COUNTY OF KING**

STATE OF WASHINGTON,

NO.

Plaintiff,

COMPLAINT

v.

AGA SERVICE COMPANY; and
JEFFERSON INSURANCE
COMPANY

Defendants.

I. INTRODUCTION

1.1 The State of Washington (State), by and through its attorneys, Robert W. Ferguson, Attorney General, and Neal Luna and Ashley McDowell, Assistant Attorneys General, file this action against Defendants, AGA Service Company and Jefferson Insurance Company (together referred to as Allianz) to remedy Allianz's unfair, deceptive, and discriminatory practices of selling travel insurance products that include a coverage exclusion that unfairly discriminates against Washington consumers with mental health disabilities and summarily denying Washingtonians' claims for travel losses when caused by "mental or nervous health disorders or any related physical complications."

1.2 Allianz has sold millions of travel insurance policies in Washington over decades. Although Allianz's policies cover the costs of trip cancellations and trip interruptions when caused

1 by a physical disability, most of Allianz’s policies exclude coverage of “mental or nervous health
2 disorders or any related physical complications” (Mental Health Exclusion). In other words, if an
3 insured must cancel or interrupt their trip and incurs costs—for example due to a missed flight or
4 transportation change fees—Allianz would cover the loss if due to any number of physical
5 disabilities, but not if due to a disabling mental health condition of the insured, the insured’s family
6 member, or the insured’s traveling companion. Over the last five years alone, Allianz has
7 categorically denied hundreds of such claims from Washingtonians, even when Allianz was
8 provided with documentation from a medical provider verifying the mental health condition and
9 the medical reason the trip had to be canceled or interrupted.

10 **1.3** The Washington Law Against Discrimination (WLAD), Consumer Protection Act
11 (CPA), and Washington Insurance Code each prohibit unfair discrimination on the basis of
12 disability in the insurance market. RCW 49.60.030(1)(e); RCW 19.86.020; RCW 49.60.030(3);
13 RCW 48.30.300; RCW 48.18.480. Washington law likewise prohibits unfair or deceptive business
14 practices in trade or commerce, including in the sale of travel insurance and the processing of related
15 claims. RCW 19.86.020.

16 **1.4** Accordingly, Washington brings this action to prevent and remedy harm to
17 Washington residents from Allianz’s unfair, deceptive, and discriminatory conduct based on
18 mental health disability in its travel insurance policies.

19 **II. JURISDICTION AND VENUE**

20 **2.1** The State brings this action to enforce the WLAD’s anti-discrimination
21 protections in insurance transactions, RCW 49.60.030(1)(e), the CPA’s prohibition of unfair or
22 deceptive acts or practices in the conduct of any trade or commerce, RCW 19.86.020 and
23 RCW 49.60.030(3), and the Washington Insurance Code’s prohibition of unfair discrimination
24 in insurance contracts, RCW 48.30.300 and RCW 48.18.480.

25 **2.2** Venue is proper in King County pursuant to RCW 4.12.020 and RCW 4.12.025.
26 This action involves the recovery of damages for injury to Washington residents and to their

1 personal property. Many affected Washington residents live in King County and purchased
2 Allianz travel insurance policies in King County. Allianz does business in King County or did
3 business in King County at the time this cause of action arose; therefore, Allianz is deemed to
4 reside in King County.

5 **III. PARTIES**

6 **3.1** Plaintiff is the State of Washington. The Attorney General is authorized to
7 commence this action pursuant to RCW 43.10.030(1) and RCW 19.86.080(1).

8 **3.2** Defendant AGA Service Company, dba Allianz Global Assistance, sells and
9 services travel insurance products, including to Washington residents. AGA Service Company's
10 principal office is in Virginia, and it is registered to do business in Washington as a foreign profit
11 corporation.

12 **3.3** Defendant Jefferson Insurance Company is an affiliate of Defendant AGA Service
13 Company and underwrites its travel insurance plans, including those sold in Washington. Jefferson
14 Insurance Company is registered in Virginia.

15 **3.4** Each of the Defendants, AGA Service Company and Jefferson Insurance Company,
16 engages in trade or commerce within the meaning of RCW 19.86.010(2).

17 **3.5** Each of the Defendants is an "insurer" within the meaning of the Washington
18 Insurance Code, RCW 48.01.050.

19 **3.6** Each of the Defendants engages in "insurance transactions" within the meaning of
20 the WLAD, RCW 49.60.030(1)(e).

21 **IV. FACTUAL ALLEGATIONS**

22 **4.1** Travel insurance generally provides coverage, or financial reimbursement, for
23 certain losses related to travel, such as trip cancellation or interruption; lost, stolen, or damaged
24 baggage; travel delay; change fees; missed flights, cruises, or other transportation; and can
25 sometimes cover injury, illness, or medical conditions that require emergency treatment during
26 travel.

1 **4.2** Between 2014 and the present, Allianz sold at least 2,252,229 travel insurance
2 policies to Washington consumers.

3 **Allianz’s Mental Health Exclusion is Unsubstantiated, Unfair, and Discriminatory**

4 **4.3** Allianz’s travel insurance policies exclude from coverage travel losses caused by
5 certain, specified events or conditions.

6 **4.4** Nearly all of Allianz’s policies sold in Washington contain an exclusion for
7 “mental or nervous health disorders” (sometimes referred to as “mental or emotional disorders”)
8 and “any related physical complications.” Allianz policies define such disorders as “anxiety,
9 depression, psychosis and others.” The Mental Health Exclusion applies to trip cancellation or
10 trip interruption coverage. That is, Allianz will deny a claim for travel losses related to a canceled
11 or interrupted trip when due to a mental, emotional, or nervous health condition, including any
12 related physical symptoms, of the insured, the insured’s family member, or the insured’s travel
13 companion.

14 **4.5** The Washington State Insurance Code prohibits an insurer from restricting,
15 modifying, excluding, or reducing the amount of benefits payable, or any term, rate, condition,
16 or type of coverage on the basis of the presence of any disability of the insured or prospective
17 insured. RCW 48.30.300(1). When the insurer substantiates “bona fide statistical differences in
18 risk or exposure” based on disability, discrimination based on disability may be permitted as
19 long as the bona fide statistical difference in risk is substantiated in advance of selling the
20 product, and as long as the resulting discrimination is “fair” and not “unfair.”
21 RCW 48.30.300(2); RCW 48.18.480.

22 **4.6** Before selling its travel insurance products in Washington that discriminate on
23 the basis of mental health disability, Allianz did not substantiate that the Mental Health
24 Exclusion constitutes fair discrimination or show a bona fide statistical difference in risk or
25 exposure between claims based on a mental health condition and claims based on a physical
26 health condition. It was only in response to the Attorney General’s investigation that Allianz

1 attempted to substantiate a bona fide statistical difference in risk or exposure based on the
2 presence of a mental health disability.

3 **4.7** Despite not having substantiated a bona fide statistical difference in risk or exposure,
4 between January 2014 and August 11, 2019 alone, Allianz denied 485 of 487 claims from
5 Washington residents who claimed travel-cost losses due to an event, illness, or condition that
6 Allianz deemed to fall within the Mental Health Exclusion. The two claims that Allianz paid were
7 approved only because Allianz determined that they also included a non-mental-health cause of
8 loss, which the policies covered.

9 **4.8** As a result of Allianz's conduct, hundreds of Washingtonians paid for a product that
10 they were prevented from using due to a discriminatory exclusion. The following are examples
11 illustrative of the experiences of Washingtonians affected each year by Allianz's business practices.

12 **4.9** In January 2018, Duvall resident B.O. purchased an airline ticket, along with an
13 Allianz travel insurance policy that cost \$51.69. B.O.'s son experienced a mental health
14 emergency which caused him to be hospitalized for three weeks. After completion of his
15 hospitalization, B.O.'s son was released into her care for three months of medical supervision.
16 Due to these developments, B.O. rescheduled her flight and submitted a reimbursement claim to
17 Allianz for the cost of the airline change fees. In support of her claim, she provided detailed
18 medical records documenting the basis and need for her son's emergency care. Allianz denied
19 her claim. B.O. appealed, submitting a letter from her son's psychiatrist that confirmed her son's
20 diagnosis. Again, Allianz denied B.O.'s claim. It was only after B.O. requested information as
21 to where to direct a discrimination complaint that Allianz reversed course and reimbursed her
22 "as a one-time consideration."

23 **4.10** In October 2018, J.S. and R.S., a retired couple from East Wenatchee, purchased
24 airline tickets and a \$42 Allianz travel insurance policy for a trip scheduled for January 2019. In
25 December 2018, R.S.'s doctor diagnosed him with Alzheimer's disease and recommended that he
26 limit travel, as unfamiliar surroundings would exacerbate R.S.'s cognitive impairments and anxiety.

1 The couple then canceled their upcoming trip. J.S. made a claim to Allianz for reimbursement of
2 the \$250 cost of their airline tickets. The claim included a note from R.S.'s doctor explaining the
3 reason the couple could not travel. Nevertheless, Allianz denied the claim based on the Mental
4 Health Exclusion.

5 **4.11** In March 2019, J.L., a resident of Vancouver, Washington, bought a \$458 airline
6 ticket for his then nine-year old son to travel to Washington to spend the summer. J.L. had not seen
7 his son in approximately five years. J.L. also bought an Allianz travel insurance policy for \$27.48
8 to cover the trip. In May 2019, J.L.'s son was diagnosed with schizophrenia and bipolar disorder,
9 and prescribed several medications. His son's doctor recommended he not travel until he acclimated
10 to his medications. J.L. submitted a claim to Allianz for the cost of the airline ticket. The claim
11 included J.L.'s son's medical records showing his diagnoses. Allianz denied J.L.'s claim under the
12 Mental Health Exclusion. Having used money received from tax returns to purchase the first
13 tickets, J.L. did not have the financial means to pay for a new ticket once his son was able to
14 travel again.

15 **4.12** In March 2019, Shoreline resident S.G. purchased flights for herself and her
16 daughter to travel to the Midwest so that her daughter could attend a therapeutic summer camp
17 for children with social disorders. S.G. and her wife adopted their daughter, who has
18 psychological disabilities stemming from prenatal alcohol abuse. S.G. purchased a \$42 travel
19 insurance policy from Allianz to cover the trip. Prior to S.G.'s scheduled trip, S.G.'s daughter
20 was hospitalized for psychiatric reasons and needed to stabilize at home, preventing her from
21 attending camp. S.G. requested reimbursement from Allianz for the \$680 cost of her and her
22 daughter's airline tickets. S.G.'s claim included a letter from her daughter's psychiatrist
23 confirming that the child had been hospitalized and would remain so for several days. Allianz
24 denied S.G.'s claim under the Mental Health Exclusion.

25 **4.13** In March 2019, D.Y. of Everett purchased an airline ticket to join several
26 members of his extended family for vacation in Hawaii in July 2019. In addition to his ticket,

1 D.Y. purchased an Allianz travel insurance policy for \$41.35. D.Y. has paranoia, anxiety, and
2 depression. His symptoms flared before his trip, forcing him to cancel his flight and miss his
3 family's vacation. He submitted a claim to Allianz for \$689, along with a letter from his treating
4 physician stating that D.Y. had been unable to travel due to the acute flare-up he experienced.
5 Allianz denied D.Y.'s claim.

6 **4.14** In April 2019, Tacoma resident A.O. purchased a flight to Michigan and an
7 Allianz travel insurance policy for \$27.60. A.O. has post-traumatic stress disorder, depression,
8 and anxiety due to past trauma. A.O. wanted to attend art school in Michigan, and she planned
9 to visit the state in order to acclimate herself to the area prior to moving. Two weeks before her
10 trip, she began to experience severe anxiety and decided that she could not travel. She canceled
11 her flight and submitted a claim to Allianz for \$424.60. To support her claim, A.O. submitted a
12 letter from her psychologist explaining that A.O. was in treatment for post-traumatic stress
13 disorder and the resulting symptoms caused the cancellation of her trip. Allianz denied A.O.'s
14 claim under the Mental Health Exclusion.

15 **4.15** In May 2019, L.T. of Mercer Island purchased an airline ticket in order to attend
16 the birth of her grandchild. L.T. made plans for an extended stay with her daughter so that L.T.
17 could help take care of the new baby as her daughter recovered from the delivery. Before
18 purchasing her flight, L.T., who is her adult son's legal guardian, contacted Allianz to ask
19 whether their travel policies cover mental health related events, and L.T. was told that they
20 would. L.T. then purchased an insurance policy for \$21. While L.T. was with her daughter and
21 new grandchild, her son experienced a psychotic episode in Washington. L.T. changed her return
22 flight to Washington by four days so that she could support her son in person. L.T. requested
23 reimbursement of the \$313.70 from Allianz, including a handwritten note from the assistant of
24 her son's treating physician offering to provide further information about L.T.'s son. Allianz
25 denied L.T.'s claim under the Mental Health Exclusion.
26

1 **4.16** In May 2019, Port Orchard resident A.E. purchased a flight for her son to travel
2 from Ohio to Washington for a family visit, along with a \$21 Allianz travel insurance policy.
3 A.E. had not seen her son in nearly six years. Before the trip, A.E.'s son experienced a mental
4 health event and was hospitalized, forcing him to cancel his trip to Washington. A.E. submitted
5 a claim to Allianz for the missed flight in the amount of \$247, explaining that her son had been
6 advised by his doctor to not travel. Additionally, A.E. submitted a letter from her son's treating
7 physician in support of their claim. However, Allianz denied the claim under the Mental Health
8 Exclusion.

9 **4.17** In June 2019, M.R. and D.R. from Olympia purchased flights to California for
10 their son's upcoming wedding. They also purchased a \$57 Allianz travel insurance policy. After
11 arriving in California, their son attempted suicide, leading to a multi-day hospital stay and
12 diagnosis of a depressive disorder. Their son was forced to cancel his wedding, and the couple
13 flew their son back to Washington with them, where he then checked into a treatment facility.
14 M.R. and D.R. made a request for reimbursement for the \$250 cost of changing their flights, and
15 included with their request copies of their son's hospital records. Allianz denied the family's
16 claim under the Mental Health Exclusion.

17 **4.18** Also in June 2019, Port Angeles resident E.T. purchased flights for a family trip
18 to Asia, along with a \$34 Allianz insurance policy. In the weeks leading up to their trip, E.T.'s
19 son experienced a severe episode of major depressive disorder, for which he was hospitalized
20 for several days, and then discharged into E.T.'s care to attend an outpatient program. E.T. was
21 forced to cancel the trip to Asia, and filed a reimbursement claim for the \$400 cost of canceling
22 the flights. In support of his claim, E.T. provided to Allianz his son's hospital records.
23 Nevertheless, Allianz denied the claim.

24 **4.19** Allianz adopted an across-the-board coverage exclusion and corporate policy of
25 denying all claims in which the loss was caused by a mental or nervous health disorder or "any
26 related physical complications." Allianz denied coverage even where the insured submitted

1 written verification from a medical provider that a mental or nervous health disorder caused the
2 trip to be canceled or interrupted.

3 **4.20** During the Attorney General’s investigation, Allianz argued that the Mental
4 Health Exclusion was justified because “in many circumstances it is difficult to fairly and
5 objectively verify mental and nervous health disorders and to accurately assess the causal
6 connection between a covered loss and a mental or nervous health disorder.” According to
7 Allianz, this uncertainty ultimately makes it impossible to “accurately predict losses and control
8 costs for mental or nervous health coverage,” which “would likely result in a material increase”
9 in Allianz travel insurance premiums and “may even make travel insurance unviable.”

10 **4.21** Allianz, however, began discriminating based on mental health without first
11 statistically substantiating a basis for such discrimination. It sold travel insurance policies in
12 Washington without first substantiating a bona fide statistical difference in risk or exposure
13 based on mental or nervous health disorders.

14 **4.22** Following notice of the Attorney General’s investigation, Allianz attempted to
15 substantiate the Mental Health Exclusion. Allianz was not able to do so, submitting incomplete
16 and insufficient data of exposure, risk, and expense.

17 **4.23** Even according to Allianz’s own, post-hoc data, the number of submitted claims
18 that Allianz denied from 2014 to 2019 under the Mental Health Exclusion represents .02% of
19 the total travel insurance policies sold (485 claims out of 2,252,229 policies).

20 **4.24** While significantly affecting the families subject to Allianz’s Mental Health
21 Exclusion, the impact to Allianz of covering these families would be comparatively small.
22 Allianz estimates “that removing the [Mental Health Exclusion] from its [trip cancellation] and
23 [trip insurance] coverages will at least result in 4.0% and 3.8% increases in costs related to those
24 coverages, respectively, and a resulting 3.3% premium increase for all coverages in its travel
25 insurance policies.”
26

1 **4.25** Outside of Washington State, including in Australia where the Mental Health
2 Exclusion has been deemed unlawful by local regulators, Allianz sells travel insurance policies
3 that do not contain the Mental Health Exclusion. Allianz continues to do business in the travel
4 insurance market in these locations.

5 **The Mental Health Exclusion is a Deceptive Business Practice**

6 **4.26** Allianz’s consumer-facing corporate policies include its Allianz Group Code of
7 Conduct (Allianz Code of Conduct).¹ Allianz’s “No Discrimination” policy provides, “Our
8 commitment to diversity and inclusion does not allow for any kind of mistreatment of any
9 individual, in any form, based on a personal characteristic.” Allianz promises that it does “not
10 tolerate any form of discrimination, including racism. Each of us will always treat our coworkers,
11 business partners, and customers respectfully, without regard for any personal characteristics.”
12 Further, Allianz represents that it “goes above and beyond simply following the law,” holding
13 itself to “a much higher standard . . . to do the right thing, in every situation.” Allianz strives to
14 be “fair and transparent with our customers about our products and services, including their
15 limitations.”

16 **4.27** Despite the commitments in the Allianz Code of Conduct, the information
17 provided to the public at Allianz’s website has the capacity to mislead a substantial number of
18 consumers because Allianz did not adequately disclose that Allianz travel insurance policies do
19 not cover travel losses caused by mental or nervous health disorders. That information is
20 contained in just four places on the Allianz travel insurance website,
21 www.allianztravelinsurance.com,² each of which requires consumers to specifically search for
22 “mental health” or scroll through multiple options and click on a sequence of at least three
23 successive links to locate the information. Even clicking on any of the links under the heading

24 ¹ [https://www.allianzlife.com/-/media/files/allianz/pdfs/about/code-of-](https://www.allianzlife.com/-/media/files/allianz/pdfs/about/code-of-conduct.pdf?la=en&hash=3D884381309B25BB1D063DA5B40B741766CEC6E7)
25 [conduct.pdf?la=en&hash=3D884381309B25BB1D063DA5B40B741766CEC6E7](https://www.allianzlife.com/-/media/files/allianz/pdfs/about/code-of-conduct.pdf?la=en&hash=3D884381309B25BB1D063DA5B40B741766CEC6E7)

26 ² The four pages are titled, “[Travel Insurance 101: Covered Illnesses](#),” “[When Does Travel Insurance Cover Existing Medical Conditions?](#)” “[Travel Insurance 101 Round-Up](#),” and “[What's the Best Travel Insurance for Pre-Existing Medical Conditions?](#)”

1 “Travel Insurance 101” on the homepage or the “More Travel Resources” page does not link
2 directly to any page that mentions the Mental Health Exclusion. Exhibit A, attached, illustrates
3 the needle-in-the-haystack process of finding the Mental Health Exclusion on the Allianz travel
4 insurance website.

5 **4.28** Moreover, Allianz does not mention the Mental Health Exclusion where a
6 reasonable consumer would expect to be informed of such an exclusion. These omissions have
7 the capacity to mislead a substantial number of consumers. For example, in discussing whether
8 a traveler needs travel insurance even though the traveler has health insurance, Allianz points
9 out that some health insurers do not cover urgent care for physical or mental health conditions
10 and states, “That’s why buying travel insurance is so important . . . because it ‘can help fill any
11 gaps in domestic health insurance coverage.’”³ This misleadingly implies that Allianz products
12 protect insureds from coverage denials for mental health conditions.

13 **4.29** Similarly, on a page titled, “What Does Travel Insurance Cover?” Allianz
14 specifically mentions at least thirteen events that its policies would not cover, including normal
15 pregnancy, war, nuclear reaction, and terrorist events, but makes no mention of mental or
16 nervous health disorders.

17 **4.30** Allianz knows that mental health conditions are an important issue affecting their
18 travel insurance customers. On a webpage titled, “How Business Travel Puts Wellness at Risk.
19 And How We Can Fix It,” Allianz notes that psychological disorders are the number one health
20 insurance claim for business travelers.⁴

21 **4.31** Allianz’s advertising and public-facing policies contain representations and
22 omissions that are likely to deceive a substantial number of consumers into believing that Allianz
23 will not decline to cover travel losses based on the mental health condition of the insured, their
24 family member, or their travel companion.

25 ³ [https://www.allianztravelinsurance.com/travel/planning/do-I-need-travel-insurance-if-I-have-health-](https://www.allianztravelinsurance.com/travel/planning/do-I-need-travel-insurance-if-I-have-health-insurance.htm)
26 [insurance.htm](https://www.allianztravelinsurance.com/travel/planning/do-I-need-travel-insurance-if-I-have-health-insurance.htm) (citing “U.S. News”)

⁴ <https://www.allianztravelinsurance.com/travel/planning/business-travel-wellness-risks.htm>

1 **V. CAUSES OF ACTION**

2 **5.1** Washington realleges paragraphs 1.1 through 4.31, above, and incorporates them
3 in this section as if set forth in full.

4 **FIRST CAUSE OF ACTION**
5 **(Violation of Washington Law Against Discrimination)**

6 **5.2** Under the WLAD, it is an unfair practice to discriminate against any person in an
7 insurance transaction based on the presence of any mental health disability, unless such practice
8 is not unlawful under RCW 48.30.300. RCW 49.60.030(1)(e).

9 **5.3** Allianz unlawfully discriminates against Washington consumers in violation of
10 RCW 49.60.030(1)(e) by: (a) selling travel insurance products that unfairly discriminate on the
11 basis of a presence of a mental health disability; and (b) denying claims for trip cancellation or
12 interruption losses caused by a mental or nervous health disorder, or related physical condition.

13 **5.4** Allianz's disability discrimination is unlawful under RCW 48.30.300.

14 **SECOND CAUSE OF ACTION**
15 **(Per se Violation of Consumer Protection Act)**

16 **5.5** A violation of the WLAD that occurs in trade or commerce constitutes a *per se*
17 violation of the CPA. *See* RCW 49.60.030(3). Allianz's actions described above constitute
18 insurance discrimination, in trade or commerce, on the basis of disability in violation of
19 RCW 49.60.030(1)(e). They therefore constitute acts or practices that are *per se* unfair or
20 deceptive, in violation of the CPA, RCW 19.86.

21 **5.6** Allianz's actions are a matter affecting the public interest, are not reasonable in
22 relation to the development and preservation of business, and are not otherwise authorized by
23 any other provision of law.

24 **THIRD CAUSE OF ACTION**
25 **(Violation of Consumer Protection Act – Unfair Acts or Practices)**
26

1 **5.7** The CPA prohibits unfair acts or practices in the course of any trade or commerce.
2 RCW 19.86.020. Insurance transactions that are “required or permitted to be done pursuant to
3 [the Washington Insurance Code, RCW 48]” do not violate the CPA. RCW 19.86.170.

4 **5.8** Allianz committed unfair acts or practices in the conduct of trade or commerce,
5 including but not limited to: (a) denying insurance coverage for travel losses caused by mental
6 or nervous health disorders or any related physical complications; and/or (b) including the
7 Mental Health Exclusion in its travel insurance products without first substantiating a bona fide
8 statistical difference in risk or exposure for covering travel losses caused by such conditions.

9 **5.9** The Washington Insurance Code, RCW 48, neither requires nor permits the
10 conduct alleged above.

11 **5.10** Allianz’s actions are a matter affecting the public interest, are not reasonable in
12 relation to the development and preservation of business, and are not otherwise authorized by
13 any other provision of law.

14 **FOURTH CAUSE OF ACTION**

15 **(Violation of the Consumer Protection Act – Deceptive Acts or Practices)**

16 **5.11** The CPA prohibits deceptive acts or practices in the course of any trade or
17 commerce. RCW 19.86.020. Insurance transactions that are “required or permitted to be done
18 pursuant to [the Washington Insurance Code, RCW 48]” do not violate the CPA.
19 RCW 19.86.170.

20 **5.12** Allianz committed deceptive acts or practices in the conduct of trade or
21 commerce, including but not limited to: (a) failing to adequately disclose to consumers that its
22 policies do not cover claims arising from mental or nervous health disorders, such that a
23 substantial number of consumers could be misled; and/or (b) violating its own public-facing
24 policies not to mistreat customers “based on a personal characteristic,” to be “fair and transparent
25 with [their] customers about Allianz products and services, including their limitations,” and to
26 “go above and beyond simply following the law” and “do the right thing in every situation.”

1 **5.13** The Washington Insurance Code, RCW 48, neither requires nor permits the
2 conduct alleged above.

3 **5.14** The conduct alleged above had the capacity to mislead a substantial number of
4 consumers.

5 **5.15** Allianz's actions are a matter affecting the public interest, are not reasonable in
6 relation to the development and preservation of business, and are not otherwise authorized by
7 any other provision of law.

8 **FIFTH CAUSE OF ACTION**
9 **(Violation of the Washington Insurance Code)**

10 **5.16** An entity engaged in the business of insurance in Washington may not restrict,
11 modify, exclude, increase, or reduce the amount of benefits payable, or any term, rate, condition
12 or type of coverage on the basis of the presence of any mental health disability of the insured or
13 prospective insured, unless it is both: (1) fair discrimination, and (2) substantiated by a bona fide
14 statistical difference in risk or exposure. RCW 48.30.300.

15 **5.17** Allianz's denial of benefits payable to Washington insureds on the basis of mental
16 health disability was not fair discrimination.

17 **SIXTH CAUSE OF ACTION**
18 **(Violation of the Washington Insurance Code)**

19 **5.18** An entity engaged in the business of insurance in Washington may not restrict,
20 modify, exclude, increase, or reduce the amount of benefits payable, or any term, rate, condition
21 or type of coverage on the basis of the presence of any mental health disability of the insured or
22 prospective insured, unless it is both: (1) fair discrimination, and (2) substantiated by a bona fide
23 statistical difference in risk or exposure. RCW 48.30.300.

24 **5.19** Allianz failed to substantiate a bona fide statistical difference in risk or exposure
25 based on mental health disability before it began denying benefits payable to Washington
26 insureds on the basis of mental health disability.

SEVENTH CAUSE OF ACTION
(Violation of the Washington Insurance Code)

5.20 It is unlawful for an insurer to make or permit unfair discrimination between insureds “having substantially like insuring, risk, and exposure factors, and expense elements, in the terms and conditions in any insurance contract, or in the rate or amount of premium charged therefore, or in the benefits payable or in any other rights or privileges accruing thereunder.” RCW 48.18.480.

5.21 Allianz makes or permits unfair discrimination on the basis of the presence of a mental health disability by denying claims that are caused by a mental or nervous health disorder, while covering substantially like claims that arise from a physical disability.

5.22 Allianz’s denial of benefits payable to Washington insureds on the basis of mental health disability is unfair discrimination.

VI. PRAYER FOR RELIEF

WHEREFORE, Plaintiff State of Washington prays that the Court:

6.1 Adjudge and decree that Allianz has engaged in the conduct complained of in this complaint.

6.2 Adjudge and decree that Allianz’s conduct violates the WLAD, RCW 49.60.030(1)(e).

6.3 Adjudge and decree that Allianz’s conduct violates the CPA, RCW 19.86.020 and RCW 49.60.030(3).

6.4 Adjudge and decree that Allianz’s conduct is an unfair act or practice that violates the CPA, RCW 19.86.020.

6.5 Adjudge and decree that Allianz’s conduct is a deceptive act or practice that violates the CPA, RCW 19.86.020.

6.6 Adjudge and decree that Allianz’s conduct violates the Washington Insurance Code, RCW 48.30.300.

1 **6.7** Adjudge and decree that Allianz’s conduct violates the Washington Insurance
2 Code, RCW 48.18.480.

3 **6.8** Issue a permanent injunction enjoining and restraining Allianz and its
4 representatives, successors, assigns, officers, agents, servants, employees, and all other persons
5 acting or claiming to act for, on behalf of, or in active concert or participation with Allianz from:
6 (a) making any rate or form filing for approval from the Office of the Insurance Commissioner
7 to sell travel insurance products in Washington that contain the Mental Health Exclusion; (b)
8 selling any travel insurance products that contain the Mental Health Exclusion; and (c) applying
9 the Mental Health Exclusion to deny claims for losses related to trip cancellation or trip
10 interruption.

11 **6.9** Impose a civil penalty for each violation of the CPA pursuant to RCW 19.86.140.

12 **6.10** Enter such orders or judgments pursuant to RCW 19.86.080(2) and
13 RCW 49.60.030(2), as it deems appropriate to remedy injuries to Washington consumers as a
14 result of Allianz’s conduct complained of, including but not limited to damages, restitution, and
15 disgorgement.

16 **6.11** Make such orders pursuant to RCW 19.86.080(1) and RCW 49.60.030(2) to
17 provide Washington recovery from Allianz for the costs of this action, including reasonable
18 attorneys’ fees.

19 **6.12** Award such other relief as the Court may deem just and proper.

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1 DATED this 6th day of May, 2021.

2 Presented by:

3 ROBERT W. FERGUSON
4 Attorney General

5 

6 NEAL LUNA, WSBA No. 34085
7 ASHLEY MCDOWELL, WSBA No. 56404
8 Assistant Attorneys General
9 Wing Luke Civil Rights Division
10 Office of the Attorney General
11 800 Fifth Avenue, Suite 2000
12 Seattle, WA 98104
13 (206) 287-4189
14 neal.luna@atg.wa.gov
15 ashley.mcdowell@atg.wa.gov
16
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19
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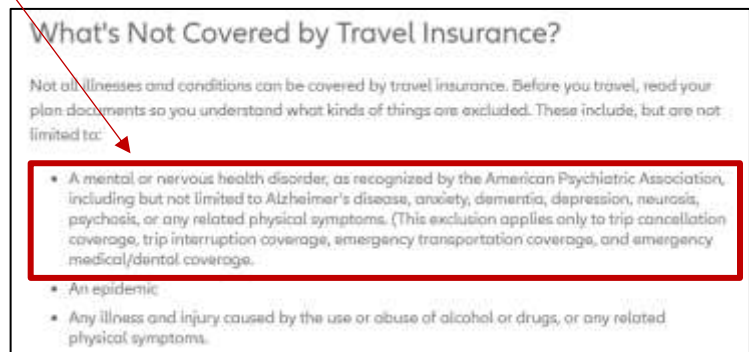
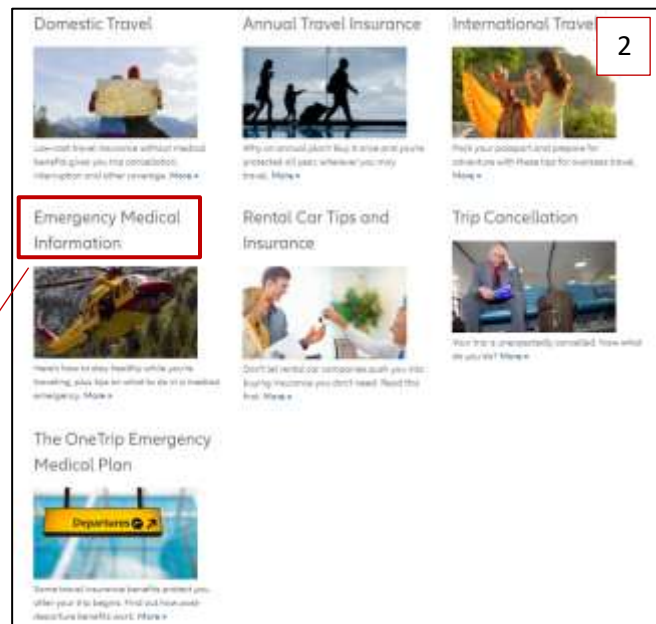
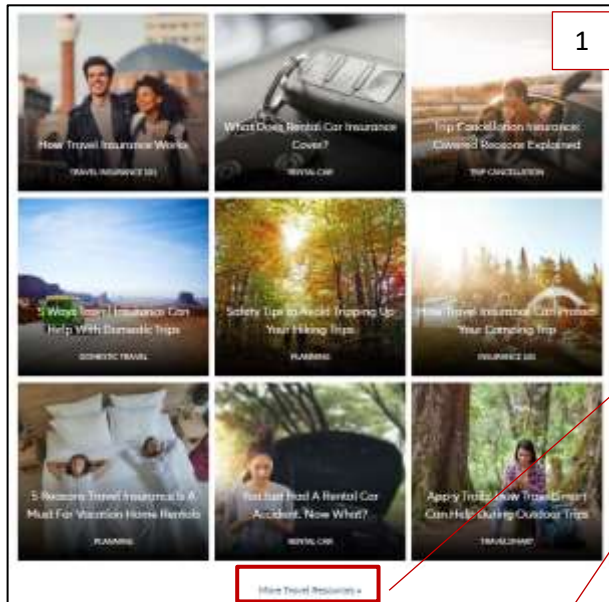
Exhibit A

ACCESSING MNHD EXCLUSION INFORMATION ON ALLIANZ'S WEBSITE

Scenario #1

1. Allianz Travel Insurance Homepage
 - a. Scroll Down to Travel Resources
 - b. Click on "More Travel Resources"
2. Click on "Emergency Medical Information"
3. Click on "Travel Insurance 101: Covered Illnesses"

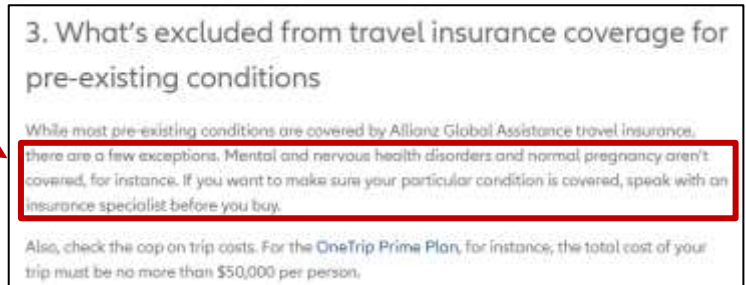
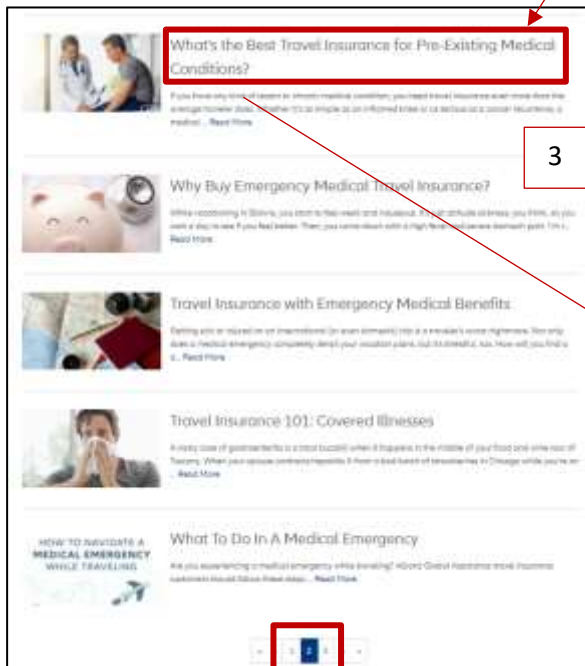
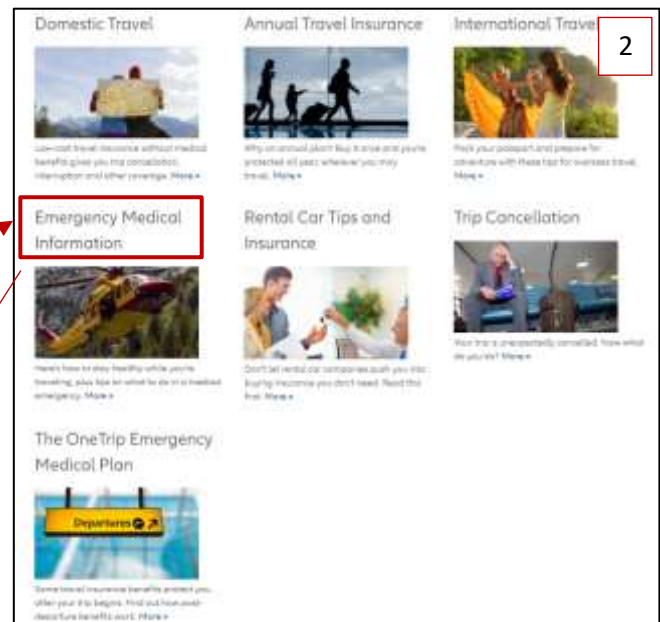
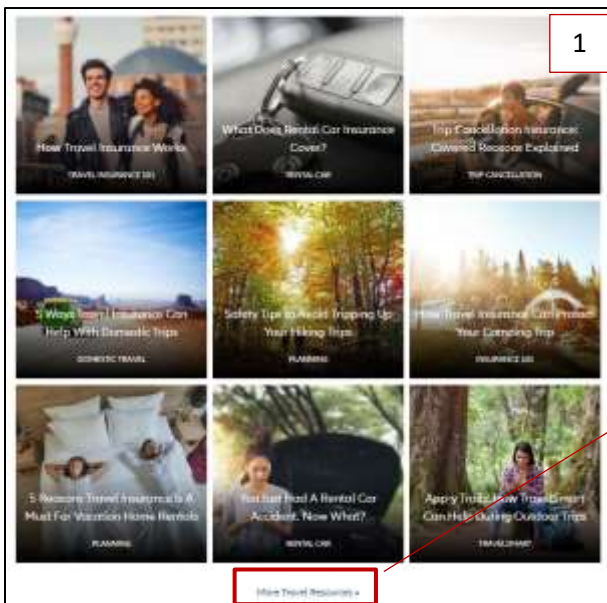
<https://www.allianztravelinsurance.com/travel/medical/covered-illness-pre-existing-condition.htm>



Scenario #2

1. Allianz Travel Insurance Homepage
 - a. Scroll Down to Travel Resources
 - b. Click on “More Travel Resources”
2. Click on “Emergency Medical Information”
 - a. Scroll down to bottom and click on Page 2
3. Click on “What’s the Best Travel Insurance for Pre-Existing Conditions?”

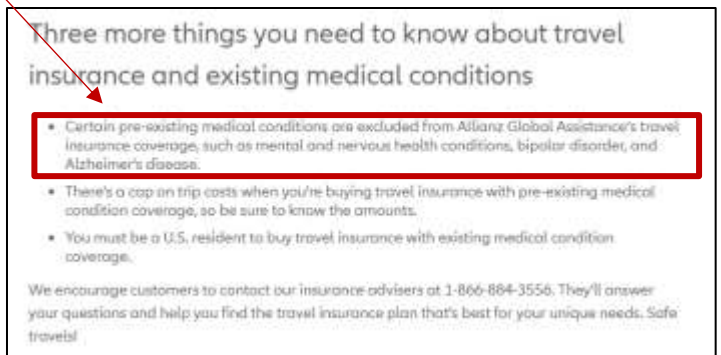
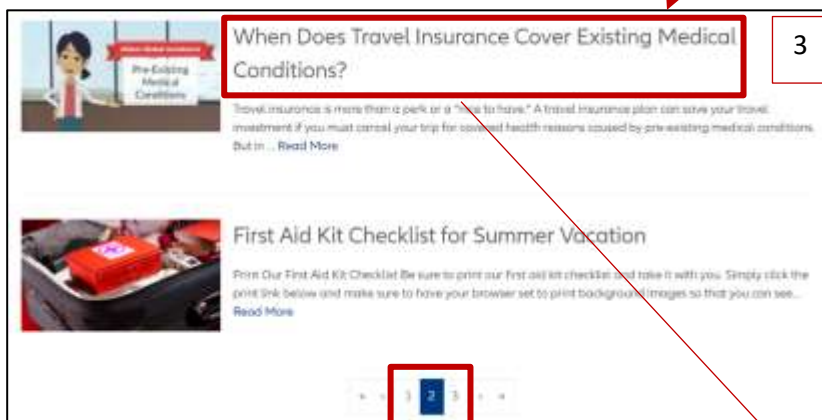
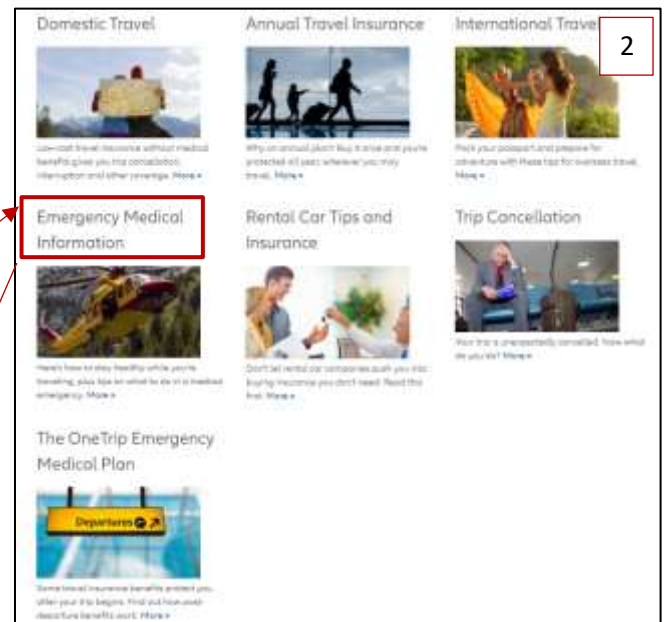
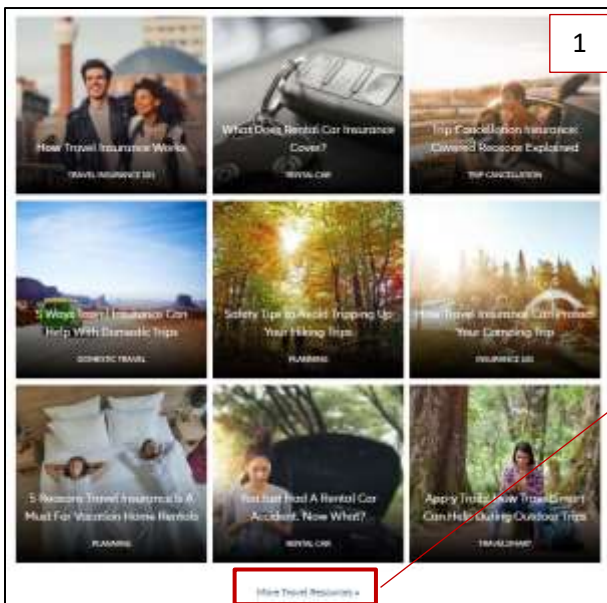
<https://www.allianztravelinsurance.com/travel/medical/best-travel-insurance-for-pre-existing.htm>



Scenario #3

1. Allianz Travel Insurance Homepage
 - a. Scroll Down to Travel Resources
 - b. Click on “More Travel Resources”
2. Click on “Emergency Medical Information”
 - a. Scroll down to bottom and click on Page 2
3. Click on “What’s the Best Travel Insurance for Pre-Existing Conditions?”

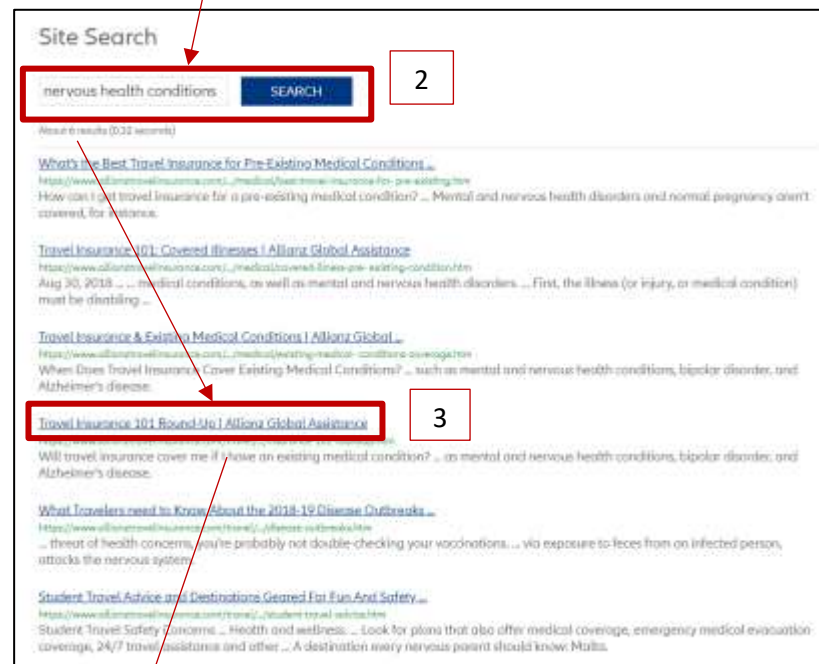
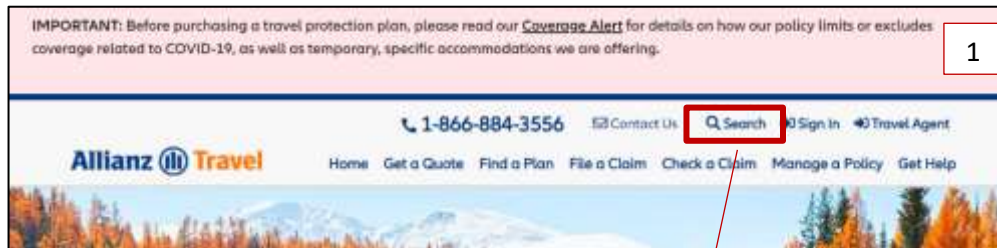
<https://www.allianztravelinsurance.com/travel/medical/existing-medical-conditions-coverage.htm>



Scenario #4

1. Allianz Travel Insurance Homepage
 - a. Click on Search Tab
2. Enter “nervous health conditions” in search box and click the “Search” button
3. Click on “Travel Insurance 101 Roundup”

<https://www.allianztravelinsurance.com/travel/planning/insurance-101-roundup.htm>



Will travel insurance cover me if I have an existing medical condition?

Many travelers think that if they have a pre-existing condition, travel insurance won't cover losses related to that condition. That's not the case! Certain travel insurance products from Allianz Global Assistance can cover existing medical conditions if you meet certain criteria, such as insuring the full cost of your trip within 14 days of paying your first trip deposit, and making sure you're medically able to travel when you do so. Certain existing medical conditions are excluded from Allianz Global Assistance's travel insurance coverage, such as mental and nervous health conditions, bipolar disorder, and Alzheimer's disease. Be sure to read your plan documents carefully, so that you understand what's covered, and contact us with any questions.

For more information: [When Does Travel Insurance Cover Existing Medical Conditions?](#) »