

Washington travelers to receive \$1.5 million in mental health discrimination case

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Allianz, the world's largest travel insurance company, will pay \$1.5 million to settle a civil rights lawsuit that alleged the company discriminated against Washington residents with mental health conditions. A civil rights trial was set to begin Wednesday.

According to the Washington Attorney General's Office, the company had a policy that excluded coverage for "mental and nervous health disorders" including dementia, schizophrenia, [post-traumatic stress disorder](#) and other mental health conditions. The company also failed to adequately disclose the policy to customers, the Attorney General's Office said.

"Allianz would accept a claim over a broken foot, but not a life-altering mental health diagnosis—that's not fair, and it's not lawful," Washington Attorney General Bob Ferguson said in a release.

"Mental health conditions are just as real and serious as [physical conditions](#)—and both have protection under the law."

The Attorney General's Office said it first heard about this pattern in 2019 after a Washington resident submitted a complaint to officials. An investigation going back to 2014 found 560 instances when Allianz denied the claims of people whose travel plans were disrupted by mental health emergencies.

The office formally started investigating in 2021 and found Allianz's policy discriminatory, violating the Washington Law Against Discrimination and the state Insurance Code and Consumer Protection Act. People with [mental health conditions](#) are a protected class, as the conditions are considered disabilities.

In a statement, Allianz denied that it violated state law.

"Our organization prides itself on offering products that adhere to industry best practices and is committed to consumer protection. We dispute any accusations of unfair discrimination."

In legal filings, lawyers pointed to several examples in which Allianz

failed to provide claims coverage.

In one case, two Olympia residents had bought tickets to travel to San Diego for their son's wedding. They purchased a \$57 travel insurance policy from Allianz. Their son attempted suicide before the wedding and was hospitalized and diagnosed with a [depressive disorder](#). The couple changed their flight plans after this and later filed a claim with Allianz for the \$250 cost of changing their flights. Their claim was denied even after they included copies of their son's hospital records.

Allianz has since entered a consent decree and changed its policy to remove the mental health exclusions, according to the Attorney General's Office.

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