European Group of
Risk and Insurance Economists

45th Annual EGRIE Seminar

September 17, 18 and 19, 2018

Nuremberg, Germany

Scientific Program

Program Committee:

Christian Gollier (Chair), Toulouse School of Economics

David Eckles, University of Georgia

Richard Peter, University of Iowa

Sunday, September 16th

18:30-21:30 WELCOME RECEPTION

Monday, September 17th

8:00-8:45 REGISTRATION

8:45-9:00 **WELCOME SPEECHES**

9:00-10:30 **GENEVA RISK ECONOMICS LECTURE** (Chair: Keith Crocker)
The Behavioral Welfare Economics of Insurance
Glenn Harrison
*(*Discussant: Steffen Andersen)

10:30-11:00 COFFEE BREAK

11:00-13:00

Session A1: Decision under uncertainty
(Chair: J. Xu)

O. Armantier, J. Foncel, N. Treich
"Insurance and Portfolio Decisions: A Wealth Effect Puzzle"
(Discussant: J. Li)

A. Hofmann, C. Kubitza, P. Steinorth
"*Financial Literacy and Precautionary Insurance"*
(Discussant: J. Jaspersen)

C. Gollier
"A General Theory of Risk Apportionment"
(Discussant: R. Peter)

Session A2: Experiments
(Chair: F. Pannequin)

A. Corcos, F. Pannequin, C. Montmarquette
"Are Risk Attitudes Context-Dependent? An Experimental Comparison between Holt & Laury Measure and Insurance Choices"
(Discussant: C. Heinzel)

A. Bostian, C. Heinzel
"Stability of Experimental Risk- and Time-Preference Estimates under Intertemporal Asset Integration"
(Discussant: F. Pannequin)

W. Mimra, J. Nemitz, C. Waibel
"Voluntary Pooling of Genetic Risk: A Health Insurance Experiment"
(Discussant: M. Kraft)

13:00-14:30 LUNCH BREAK

14:30-16:30	**Session B1: Non-expected utility** (Chair: P. Picard)	**Session B2: IO of insurance markets** (Chair: W. Mimra)
	J. Jaspersen, R. Peter, M. Ragin *"The Role of Probability Weighting in Optimal Insurance Demand: A Double-Edged Sword"* (Discussant: M. Fels)	Y. J. Levy, A. Veiga *"Competitive Insurance Markets with Unbounded Cost"* (Discussant: P. Steinorth)
	J. Li, J. Wang, H. Yick "*Capacity Aversion"* (Discussant: G. Dionne)	D. Rowell, H.S. Nghiem, L. Connelly *"Empirical Tests for Consumer-Push and Producer-Pull Ex Post Moral Hazard in a Market for Automobile Insurance"* (Discussant: D. Heidinger)
	J. Maier, C. Koenig *"A Model of Conservative Belief Updating"* (Discussant: N. Treich)	J. Schiller, M. Weinert *"Fee for Advice: A Remedy for Biased Product Recommendations"* (Discussant: W. Mimra)
16:30-17:00	COFFEE	
19:00-22:30	GALA DINNER	

Tuesday, September 18th

8:30-10:30	**Session C1: Long-term care and health insurance** (Chair: R. Peter)	**Session C2 : Risk classification and information** **(**Chair: M. Kraft)
	M. Xu, J. Alonso-Garcia, A. Shao, M. Sherris *"Demand for Annuities and Long-Term Care Insurance with Recursive Utility: Impact of Housing"* (Discussant: P. Zweifel)	A. Bohnert, J. Eckert, N. Gatzert *"The Impact of Risk Classification in Life Insurance: An Analysis of Underwriting Risk, Underwriting Costs, And Classification Systems"* (Discussant: R. Aboutajdine)
	C. Courbage, G. Montoliu-Montes *"Estate Fiscal Policies, Long-Term Care Insurance and Informal Care"* (Discussant: R. Eisen)	F. Klein, H. Schmeiser *"Optimal Risk Pools under Changing Volatility and Heterogeneous Risk Classes "* (Discussant: A. Veiga)
	B. Heidler, A. Hofmann, P. Steinorth *"Impact of the Affordable Care Act on Health in the Commercial Health Insurance Market"* (Discussant: C. Ellis)	C. Kubitza *"Multi-Dimensional Heterogeneity Meets Rothschild-Stiglitz"* (Discussant: L. Li)
10:30-11:00	COFFEE BREAK	
11:00-13:00	**Session D1: Dynamic models** (Chair: R. Eisen)	**Session D2: Self-insurance and self-protection** (Chair: C. Heinzel)
	S. van Bilsen, L. Bovenberg, R. Laeven *"Consumption and Portfolio Choice under Internal Multiplicative Habit Formation"* (Discussant: H. Schmeiser)	T. Huber *"Comparative Risk Aversion in Two Periods: An Application to Self-Insurance and Self-Protection"* (Discussant: C. Bonilla)
	J. Weinert, R. Rogalla, I. Gemmo *"The Impact of Systematic Longevity Risk on Optimal Lifecycle Portfolio Choice with Tontines"* (Discussant: M. Xu)	J. Zheng *"Willingness to Pay for Reductions in Morbidity Risks under Anticipated Regret"* (Discussant: A. Mürmann)
	C. Ellis *"Secondary Markets and the Option Value of Life Insurance"* (Discussant: J. Xu)	L. Li, R. Peter *"Should We Do More When We Know Less? Optimal Risk Reduction under Technological Uncertainty"* (Discussant: R. Watt)
13:00-14:00	LUNCH BREAK	

14:00-16:00	**Session E1: Financial insurance I** (Chair: C. Courbage)	**Session E2 : Financial insurance II** (Chair: A. Mürmann)
	A. Braun, L. Cohen, C. Malloy, J. Xu *"Saving Face: A Solution to the Hidden Crisis for Life Insurance Policyholders"* (Discussant: T. Götze)	M. Fels *"Incentivizing Efficient Utilization Without Reducing Access: The Case Agains Cost-Sharing in Insurance"* (Discussant: M. Weinert)
	N. Gatzert, D. Heidinger *"An Empirical Analysis of Market Reactions to the First Solvency and Financial Conditions Reports in the European Insurance Industry"* (Discussant: J-H. Weinert)	A. Ellul, C. Jotikasthira, A. Kartasheva, C. Lundblad, W. Wagner *"Insurers as Asset Managers and Systemic Risk"* (Discussant: C. Kubitza)
	D. Desjardins, G. Dionne *"Reinsurance Demand and Liquidity Creation"* (Discussant: P. Picard)	T. Foerstemann *"Lethal Lapses: How a Positive Interest Rate Shock Might Stress Life Insurers"* (Discussant: D. Rowell)
16:00-16:30	COFFEE BREAK	
16:30-17:30	GENERAL ASSEMBLY	
19:30-22:30	CONFERENCE DINNER	

Wednesday, September 19th

9:00-10:30 **Session F: Stochastic dominance**
(Chair: H. Loubergé)

O. Kolokolova, O. Le Courtois, X. Xu
"Is it Efficient to Buy the Index? A Worldwide Tour with Stochastic Dominance"
(Discussant: L. Tzeng)

M. Chiang, H. Chiu, R. Huang
"Strategic Momentum for Most Investors"
(Discussant: X. Xu)

H. Bi, R. Huang, L. Tzeng, W. Zhu
"Higher-Order Omega: A Performance Index with a Decision-Theoretic Foundation"
(Discussant: A. Snow)

10:30-11:00 COFFEE BREAK

11:00-12:30 **Session G: Ambiguity and moral hazard**
(Chair: X. Xu)

L. Berger, L. Eeckhoudt
"Ambiguity and the Value of Diversification"
(Discussant: J. Zheng)

H. Iwaki
"An Ambiguity Measure under EUUP and Its Applications"
(Discussant: L. Berger)

T. Goetze, M. Guertler
"Risk Transfer and Moral Hazard: An Examination on the Market for Insurance-Linked Securities "
(Discussant: H. Loubergé)

12:30 LUNCH BOX AND FINGER FOOD

Afternoon OPTIONAL SOCIAL PROGRAM