



*European Group of
Risk and Insurance Economists*

45th Annual EGRI 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. Kubitz, 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)

J. Jaspersen, R. Peter, M. Ragin
["The Role of Probability Weighting in Optimal Insurance Demand: A Double-Edged Sword"](#)
(Discussant: M. Fels)

J. Li, J. Wang, H. Yick
["Capacity Aversion"](#)
(Discussant: G. Dionne)

J. Maier, C. Koenig
["A Model of Conservative Belief Updating"](#)
(Discussant: N. Treich)

Session B2: IO of insurance markets
(Chair: W. Mimra)

Y. J. Levy, A. Veiga
["Competitive Insurance Markets with Unbounded Cost"](#)
(Discussant: P. Steinorth)

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

14:00-16:00 **Session E1: Financial insurance I**
(Chair: C. Courbage)

A. Braun, L. Cohen, C. Malloy, J. Xu
["Saving Face: A Solution to the Hidden Crisis for Life Insurance Policyholders"](#)
(Discussant: T. Götze)

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)

D. Desjardins, G. Dionne
["Reinsurance Demand and Liquidity Creation"](#)
(Discussant: P. Picard)

Session E2 : Financial insurance II
(Chair: A. Mürmann)

M. Fels
["Incentivizing Efficient Utilization Without Reducing Access: The Case Against Cost-Sharing in Insurance"](#)
(Discussant: M. Weinert)

A. Ellul, C. Jotikasthira, A. Kartasheva, C. Lundblad, W. Wagner
["Insurers as Asset Managers and Systemic Risk"](#)
(Discussant: C. Kubitza)

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