WRIA
49th Annual Meeting

DoubleTree Resort
Paradise Valley
Scottsdale, AZ

[12 miles from Phoenix SkyHarbor International – PHX]

January 4-7, 2015

Please visit WRIA or search the Journal of Insurance Issues on the web at:

www.wria.org

2014
Western Risk & Insurance Association
48th Annual Meeting

Napa River Inn
Napa, CA

January 5-8, 2014
<table>
<thead>
<tr>
<th>WRIA OFFICERS</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>(outgoing)</strong></td>
</tr>
<tr>
<td><strong>President</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>President-Elect</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Secretary/Treasurer</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Program Chair</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Past President</strong></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>(incoming)</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>President</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>President-Elect</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Secretary/ Treasurer</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Program Chair</strong></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Past President</strong></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

**Editor:** The *Journal of Insurance Issues*  
James Barrese  
St. John’s University
The Board of Directors, Officers and Members of WRIA express their deepest gratitude to the following sponsors:

$500 Sponsors
- The Institutes
- California State University, Northridge Center for Risk and Insurance
- Illinois State University
- University of Calgary
- University of Louisiana, Lafayette
- Washington State University

$250 Sponsors
- Appalachian State University
- East Carolina University
- Florida State University
- University of Georgia
- University of Calgary Great-West Life, London Life and Canada Life Fellowship in Personal Financial Planning

$100 Sponsors
- Ball State University
- California State University, Sacramento

11:30AM - 11:45AM COFFEE BREAK

11:45 AM - 01:15 PM SESSION – 11 – HATT HALL

Moderator: William Ferguson (University of Louisiana, Lafayette)

Market Expectations Following Catastrophes: An Examination of Insurance Broker Returns
- Martin Halek, University of Wisconsin-Madison
- Marc A. Ragin, University of Wisconsin-Madison

Automobile Insurance and Driver Ability: Contract Choice as a Screening Device
- Paul Thistle, University of Nevada, Las Vegas
- Lisa Posey, Penn State University

Estimating Standing Timber Insurance Demands: A Sample Selection Model Based on Stated Preference Ratings Data
- Yi Ling Deng, Georgia State University
- Ian A. Munn, Mississippi State University

WRIA 48th Annual Meeting Concludes
The Donald W. Hardigree Memorial JII Outstanding Paper Award

2008 The Impact of Cash Flow Volatility on Systematic Risk by Donald W. Hardigree and Ping Wang [31 (1): 43-71]
2006 The Distribution of Property/Liability Insurance in Canada: Costs and Market Structure by Mary Kelly and Anne E. Kleffner [29 (1): 51-70]
1990 Hedging a Credited Rate for a Universal Life Policy by Donald W. Hardigree and Ping Wang [31 (1): 43-71]
1988 The Distribution of Property/Liability Insurance in Canada: Costs and Market Structure by Mary Kelly and Anne E. Kleffner [29 (1): 51-70]
11:45 AM - 1:15PM CONCURRENT SESSION – F1 – HATT HALL

Moderator:  Mu-Sheng Chang (California State University, Northridge)

**Product Ratings as a Market Reaction to Deregulation: Evidence from the German Insurance Market**
Stephanie Meyr, Ludwig-Maximilians-Universität München
Sharon Tennyson, Cornell University

**Adverse Selection in Reinsurance Markets**
James Hilliard, University of Georgia
James R. Garven, Baylor University
Martin F. Grace, Georgia State University

**A New Approach to Identify the Economic Effects of Disclosure: Information Content of Business Risk Disclosures in Japanese Firms**
Yukihiro Yasuda, Tokyo Keizai University
Hyonok Kim, Tokyo Keizai University

---

11:45 AM - 1:15 PM CONCURRENT SESSION – F2 – SILO'S

Moderator:  William Ferguson (University of Louisiana, Lafayette)

**Enterprise Risk Management and the Cost of Capital**
Jianren Xu, University of Georgia
Thomas Berry-Stölzle, University of Georgia

**High Reliability Organization and Enterprise Risk Management: A Journey Together in the Insurance World**
Ruchi Agarwal, University of Edinburgh
Jake Ansell, University of Edinburgh

**Does Enterprise Risk Management Effectively Manage Operational Risk?**
Yevgeniy Davydov, Temple University
Khalid Al Amri, Sultan Qaboos University, Muscat, Oman

---

Editors of the *Journal of Insurance Issues* (by initial masthead appearance)

v.34, No. 2 James Barrese, St. John’s University
v.28, No. 2 William L. Ferguson, University of Louisiana, Lafayette
v.24, No. 1 James M. Carson, Illinois State University
v.18, No. 2 Joseph J. Launie, California State University, Northridge
v.17, No. 1 Donald W. Hardigree, University of Nevada, Las Vegas*
v.14, No. 1** Robert A. Hershbarger, Mississippi State University
v.3, No. 3 Fikry S. Gahin, University of Utah
v.2, No. 2 John J. O’Connell, Arizona State University
v.1, No. 1 Lester I. Tenney, Arizona State University

Notes: * Interim; ** Name changed from *Journal of Insurance Issues and Practices*

---

Tuesday, January 7, 2014

1:15 – 2:15 PM

WRIA Sponsored Luncheon and Annual Business Meeting

HATT HALL
Western Risk & Insurance Association
A Look Back

<table>
<thead>
<tr>
<th>Year</th>
<th>President - University Affiliation in Office</th>
<th>Annual Meeting - Site</th>
</tr>
</thead>
<tbody>
<tr>
<td>1961</td>
<td>2013 Karen E Bernamis - Appalachian State University</td>
<td>Las Vegas, NV (Caesar’s Palace)</td>
</tr>
<tr>
<td>2014</td>
<td>2012 Brenda Wells - East Carolina University</td>
<td>Santa Barbara, CA (Beverly Hills Hotel)</td>
</tr>
<tr>
<td>2013</td>
<td>2011 Paul Thistle - University of Nevada, Las Vegas</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>2010</td>
<td>2010 Ryan B. Lee - University of Calgary</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>2009</td>
<td>2009 L. Lee Colquitt - Auburn University</td>
<td>Napa, CA (Napa River Inn)</td>
</tr>
<tr>
<td>2008</td>
<td>2008 David T. Russell - California State University, Northridge</td>
<td>Las Vegas, NV (Flamingo Las Vegas)</td>
</tr>
<tr>
<td>2007</td>
<td>2007 Patricia Born - California State University, Northridge</td>
<td>Maui, HI (Maui Prince)</td>
</tr>
<tr>
<td>2006</td>
<td>2006 Randy Dumm - Florida State University</td>
<td>Las Vegas, CA (Hilton San Diego Resort)</td>
</tr>
<tr>
<td>2005</td>
<td>2005 William Feldhaus - Georgia State University</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>2004</td>
<td>2004 Anne Kleffner - University of Calgary</td>
<td>Monterey, CA (Monterey Plaza Hotel)</td>
</tr>
<tr>
<td>2003</td>
<td>2003 Gene Lau - Washington State University</td>
<td>Las Vegas, NV (Flamingo Las Vegas)</td>
</tr>
<tr>
<td>2002</td>
<td>2002 William L. Ferguson - University of Louisiana, Lafayette</td>
<td>Las Vegas, NV (Flamingo Las Vegas)</td>
</tr>
<tr>
<td>2001</td>
<td>2001 Beverly J. Frickel - University of Nebraska, Kearney</td>
<td>Las Vegas, NV (Treasure Island Resort)</td>
</tr>
<tr>
<td>2000</td>
<td>2000 James M Carson - Illinois State University</td>
<td>Honolulu, HI (Ilikai Hotel)</td>
</tr>
<tr>
<td>1999</td>
<td>1999 Mark S. Dorfman - Univ. of North Carolina, Charlotte</td>
<td>Newport Beach, CA (Newport Dunes)</td>
</tr>
<tr>
<td>1998</td>
<td>1998 William J. Warner - Indiana State University</td>
<td>Phoenix, AZ (Hilton Suites Hotel)</td>
</tr>
<tr>
<td>1997</td>
<td>1997 Michael J. McNamara - University of Memphis</td>
<td>Las Vegas, NV (Alexis Park Resort)</td>
</tr>
<tr>
<td>1996</td>
<td>1996 Donald W. Hardigree - University of Nevada, Las Vegas</td>
<td>Honolulu, HI (Ilikai Hotel)</td>
</tr>
<tr>
<td>1995</td>
<td>1995 Hamdi Bilici - California State University, Long Beach</td>
<td>San Diego, CA (Omni Hotel)</td>
</tr>
<tr>
<td>1994</td>
<td>1994 Barry B. Schweig - Creighton University</td>
<td>San Francisco, CA (Sheraton Fisherman’s Wharf)</td>
</tr>
<tr>
<td>1993</td>
<td>1993 Robert A. Herzhager - Mississippi State University</td>
<td>San Antonio, TX (Hilton Palacio del Rio)</td>
</tr>
<tr>
<td>1992</td>
<td>1992 Milton E. Smith - Brigham Young University</td>
<td>Las Vegas, NV (Holiday Inn Casino)</td>
</tr>
<tr>
<td>1991</td>
<td>1991 Sandra G. Gustavson - University of Georgia</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1990</td>
<td>1990 Jerry L. Jorgensen - University of Utah</td>
<td>Monterey, CA (Monterey Plaza Hotel)</td>
</tr>
<tr>
<td>1989</td>
<td>1989 Iskander S. Hamwi - University of Southern Mississippi</td>
<td>Las Vegas, NV (Treasure Island Resort)</td>
</tr>
<tr>
<td>1988</td>
<td>1988 Patricia A. Strong - California State Univ., Sacramento</td>
<td>San Diego, CA (Hotel del Coronado)</td>
</tr>
<tr>
<td>1987</td>
<td>1987 Mark L. Cross - University of North Texas</td>
<td>San Diego, CA (Hotel del Coronado)</td>
</tr>
<tr>
<td>1986</td>
<td>1986 Kenneth L. Pacholke - Calif. State Univ., Sacramento</td>
<td>Lake Tahoe, NV (Sahara -Tahoe Hotel)1</td>
</tr>
<tr>
<td>1985</td>
<td>1985 August Rablon - Iowa State University</td>
<td>Las Vegas, NV (Frontier Hotel)</td>
</tr>
<tr>
<td>1984</td>
<td>1984 John H. Thompson - University of North Texas</td>
<td>Las Vegas, NV (Frontier Hotel)2</td>
</tr>
<tr>
<td>1983</td>
<td>1983 Norma L. Nishim - University of Southern California</td>
<td>San Francisco, CA (Mark Hopkins Hotel)</td>
</tr>
<tr>
<td>1982</td>
<td>1982 Jerry D. Todd - St. Mary’s University, San Antonio</td>
<td>Las Vegas, NV (Frontier Hotel)3</td>
</tr>
<tr>
<td>1981</td>
<td>1981 Frank W. Taylor - California State University, Fullerton</td>
<td>Santa Clara, CA (University of Santa Clara)</td>
</tr>
<tr>
<td>1980</td>
<td>1980 Fiksys S. Gahin - University of Utah</td>
<td>San Francisco, CA (Hilton San Diego Resort)</td>
</tr>
<tr>
<td>1979</td>
<td>1979 Thomas W. Spear - University of Nevada, Las Vegas</td>
<td>Santa Clara, CA (Holiday Inn Express)</td>
</tr>
<tr>
<td>1978</td>
<td>1978-77 Thomas L. Heftin - California State U, Sacramento</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1977</td>
<td>1976-77 Lester I. Tenney - Arizona State University</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1976</td>
<td>1976-75 Oscar N. Serbin - Stanford University</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1975</td>
<td>1975-74 Lester B. Strickler - Oregon State University</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1974</td>
<td>1974-73 J. Howard Widdowson - Portland State University</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1973</td>
<td>1972-71 Jonas E. Mittleman - San Francisco State University</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1972</td>
<td>1971-70 Joseph L. Launie - California State U, Northridge</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1971</td>
<td>1970-69 Alfred E. Hofflander - Univ. California, Los Angeles</td>
<td>Santa Barbara, CA (Fess Parker’s Doubletree)</td>
</tr>
<tr>
<td>1970</td>
<td>1969-68 Nester R. Roos - University of Arizona</td>
<td>Las Vegas, NV (Frontier Hotel)</td>
</tr>
<tr>
<td>1969</td>
<td>1968-67 Oscar N. Serbin - Stanford University</td>
<td>Las Vegas, NV (Frontier Hotel)1</td>
</tr>
<tr>
<td>1968</td>
<td>1967-66 Robert C. Goshay - University of California, Berkeley</td>
<td>Long Beach, CA (California State U, Long Beach)</td>
</tr>
<tr>
<td>1967</td>
<td>1966-65 Irving Pfeffer - University of California, Los Angeles</td>
<td>Corvallis, OR (Oregon State University)</td>
</tr>
</tbody>
</table>

NOTES:
1 = annual meeting moved from December to current practice of being held in January, with associated calendar year officer/board terms.
2 = first independent meeting: December 28-30, 1976; RIP authorized by unanimous vote (v. 1 #1: March, 1977 – renamed it, v. 14 #1: Spring, 1991); prior meetings each August in conjunction with another group [e.g., WEA, WFA, ARIA], academic year officers/boards.
3 = annual meeting actually held in June (joint meetings with III); current WRIA name adopted: June 10, 1974.
4 = first official annual meeting: August 26, 1966; name had been simplified to the Western Association of Insurance Professors (WAIP) in 1970. Revised and the Fair Market Value of Life Insurance Contracts

10:00 AM - 11:30AM  CONCURRENT SESSION – E1 – HATT HALL

Moderator: James Hilliard (University of Georgia)

Solvency II’s Market Risk Standard Formula: How Credible is the Proclaimed Ruin Probability?
Florian Schreiber, Universität St. Gallen
Alexander Braun, Universität St. Gallen
Hato Schmeiser, Universität St. Gallen

Systemic Risk Measures in the Insurance Industry: A Copula Approach
Krupa Viswanathan, Temple University
Hua Chen, Temple University
J. David Cummins, Temple University
Mary A. Weiss, Temple University

Insurance and Economic Growth Relationship: Evidence of Non-Linearity
Yen Nguyen, Monash University, Australia
Michael Skully, Monash University, Australia
Katherine Avram, Monash University, Australia

10:00 AM - 11:30 AM  CONCURRENT SESSION – E2 – SILO’S

Moderator: Paul Thistle (University of Nevada, Las Vegas)

U.S. Public Pension Plans: Information and Reforms
Dashle Kelley, West Virginia University

Buy and Hold Life Insurance Contract Decisions: Pension Maximization
Revised and the Fair Market Value of Life Insurance Contracts
Randi Dumm, Florida State University
David Eckles, University of Georgia

11:30AM - 11:45AM  COFFEE BREAK

Benchmarking Pension Funds: The Case of Israel
Yorem Eden, College of Management-Academic Studies (COMAS), Israel
Ido Kallir, Tel Aviv - Yaffo Academic College
Tuesday, January 7, 2014

7:00 AM - 8:15 AM  Breakfast (HATT HALL)

8:15 AM - 9:45 AM  CONCURRENT SESSION – D1 – HATT HALL

Moderator:  Thomas Berry-Stülzle (University of Georgia)

On Individuals’ Willingness to Pay for Term Life Insurance
Alexander Braun, Universität St. Gallen
Hato Schmeiser, Universität St. Gallen
Florian Schreiber, Universität St. Gallen

Multi-Population Mortality Model: A Factor Copula Approach
Hua Chen, Temple University
Richard MacMinn, Illinois State University
Tao Sun, Temple University

Life Insurance Settlement and the Monopolistic Insurance Market
Jimin Hong, Seoul National University
S. Hun Seog, Seoul National University

8:15 AM - 9:45 AM  CONCURRENT SESSION – D2 – SILO’S

Moderator:  Karen Epermanis (Appalachian State University)

Undergraduate Risk Management & Insurance Programs: A Blueprint
Brenda Wells, East Carolina University

Reinsurance: 30 years after Pritchard & Baird
Bruce Evans, University of Dallas

Ethics as Risk Management
David Dick, University of Calgary
Norma Neilson, University of Calgary
Ryan Lee, University of Calgary
Anne Kleffner, University of Calgary

9:45AM - 10:00AM  COFFEE BREAK

Sunday, January 5, 2014

3:00 PM – 5:00 PM
WRIA Board Meeting
KEIG BOARDROOM (near Hatt Hall)

5:30 PM – 7:30 PM
WRIA Registration and Welcome Reception
SILO’S FOYER

Monday, January 6, 2014

Sessions Begin and Registration Continues
ALL PROGRAMS IN: HATT HALL or SILO’S

7:00 AM - 8:15 AM  Breakfast (HATT HALL)

8:15 AM - 9:45 AM  CONCURRENT SESSION – A1 – HATT HALL

Moderator:  Peggy Hedges (University of Calgary)

An Analysis of State Level Medical Malpractice Insurance Markets
Charles Nyce, Florida State University
J. Bradley Karl, East Carolina University

The Net Effects of Health and Medical Malpractice Reform
Patricia Born, Florida State University
J. Bradley Karl, East Carolina University
W. Kip Viscusi, Vanderbilt University

Information Required for Effective Risk Management in Healthcare --
Financial, Administrative, and Clinical
Philip Caillouet, University of Louisiana at Lafayette
William Ferguson, University of Louisiana at Lafayette
8:15 AM - 9:45 AM CONCURRENT SESSION – A2 – SILO’S

Moderator: David Eckles (University of Georgia)

Managing Supply Chain Risks via Insurance Solutions – Current Practices and Challenges
Linda Eggert, Universität Hamburg
Annette Hofmann, Universität Hamburg
Martin Nell, Universität Hamburg

Market Recovery from Catastrophic Events in the Property-Casualty Insurance Market
Ning Wang, Valdosta State University
Yiling Deng, Georgia State University

Supply-Related Catastrophe Risks: Insurance and Risk Mitigation Strategies
Pamela Hurley, University of Houston – Downtown

11:30AM - 11:45AM COFFEE BREAK

11:45 AM - 1:15PM CONCURRENT SESSION – C1 – HATT HALL

Moderator: Ryan B. Lee (University of Calgary)

CEO Overconfidence and the Demand for Directors and Officers Insurance
Jacqueline Volkman Wise, Temple University
Jeffrey Boles, Temple University
Yevgeniy Davydov, Temple University

Liquidity Risk and the Demand for Cash: Insurers and Financial Crises
James Hilliard, University of Georgia
J. François Outreville, HEC Montréal

Organization Structure and Demand for Reinsurance: The Case of Japanese Keiretsu
Noriyoshi Yanase, Tokyo Keizai University
Piman Limpaphayom, Portland State University

9:45AM - 10:00AM COFFEE BREAK

10:00 AM - 11:30 AM CONCURRENT SESSION – B1 – HATT HALL

Moderator: Randy Dumm (Florida State University)

The Association between Earnings Quality and AM Best's Financial Strength Ratings
Daniel Ames, Illinois State University
Chris S. Hines, Missouri State University
Jomo Sankara, Illinois State University

The Affordability of Automobile Insurance
Patrick Schmid, Insurance Research Council

What do your Pension and Florida Hurricanes have in common? More than you think!
Peggy Hedges, University of Calgary
Ryan B. Lee, University of Calgary
David K. Chan, University of Calgary

10:00 AM - 11:30 AM CONCURRENT SESSION – B2 – SILO’S

Moderator: Brenda Wells (East Carolina University)

Performance, Risk, and Governance: Family and Alliance Control
David Pooser, St. John’s University
James Barrese, St. John’s University
Nicos Scordis, St. John’s University
Ping Wang, St. John’s University

Crisis Sentiment and Insurer Performance
Gregor Weiß, Technische Universität Dortmund
Felix Irresberger, Technische Universität Dortmund
Fee Elisabeth König, Technische Universität Dortmund

Any lessons learned? Using Liability Insurers’ Performance in 1980s to Explain Their Performance during the Recent Liability Crisis
Yi Ling Deng, Georgia State University
Ning Wang, Valdosta State University
Haibo Yao, Mississippi State University

11:45 AM - 1:15 PM CONCURRENT SESSION – C2 – SILO’S

Moderator: Charles Nyce (Florida State University)

Modeling the Fuzziness in the Analytic Hierarchy Process-- A Risk Assessment Context
Arnold Shapiro, Penn State University

Optimal Portfolio Selection when Constrained by Investment in a Mandatory Social Security Asset
Kim Staking, California State University, Sacramento

Optimal Capital Allocation: Mean-Variance Models
Krzysztof Ostaszewski, Illinois State University
Maochao Xu, Illinois State University

1:15PM MONDAY MORNING SESSIONS END

*****