

SRIA

Southern
Risk & Insurance
Association

2010

43rd ANNUAL MEETING

Embassy Suites Hotel
Charleston, South Carolina
November 21-23, 2010

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Florida State University

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SRIA Past Presidents

Year	President - <i>University Affiliation</i>	Annual Meeting (Site)
2009	Karen Epermanis - <i>Appalachian State Univ.</i>	Orlando, FL (Lake Buena Vista Resort)
2008	Randy Dumm - <i>Florida State University</i>	Bay St. Louis, MS (Hollywood Casino)
2007	Bill Ferguson - <i>Univ. of Louisiana-Lafayette</i>	San Antonio, TX (Placio Del Rio)
2006	L. Lee Colquitt - <i>Auburn University</i>	Hilton Head, SC (Westin Resort)
2005	David Sommer - <i>University of Georgia</i>	Orlando, FL (Lake Buena Vista Resort)
2004	John C. Bratton - <i>Univ. of Central Arkansas</i>	Charleston, SC (Renaissance Charleston)
2003	Brenda P. Wells - <i>University of North Texas</i>	Clearwater, FL (Bellevue Biltmore)
2002	Patrick F. Maroney - <i>Florida State University</i>	New Orleans, LA (Chateau Sonesta)
2001	Kevin L. Eastman - <i>Florida State University</i>	Savannah, GA (Savannah Hilton)
2000	David D. Wood - <i>Appalachian State Univ.</i>	San Antonio, TX (La Mansion Del Rio)
1999	Carol A.B. Jordan - <i>Univ. of LA, Monroe</i>	Orlando, FL (Grosvenor Resort)
1998	Robert E. Hoyt - <i>University of Georgia</i>	Williamsburg, VA (Williamsburg Inn)
1997	Helen Doeringhaus - <i>University of SC</i>	Asheville, NC (Radisson Hotel)
1996	Jack M. Nelson - <i>College of Insurance</i>	Hilton Head, SC (Westin Resort)
1995	Larry A. Cox - <i>University of Mississippi</i>	Charleston, SC (Mills House)
1994	Harold D. Skipper, Jr. - <i>Georgia State Univ.</i>	Point Clear, AL (Marriot Grand Hotel)
1993	E.G. Miller - <i>Virginia Commonwealth Univ.</i>	New Orleans, LA (Omni Royal)
1992	Phyllis S. Myers - <i>Virginia Commonwealth University</i>	St. Petersburg Beach, FL (Don CeSar)
1991	Sandra G. Gustavson - <i>University of Georgia</i>	Williamsburg, VA (Williamsburg Inn)
1990	William R. Feldhaus - <i>Georgia State Univ.</i>	Amelia Island, FL (Plantation Resort)
1989	George B. Flanigan - <i>Univ. of North Carolina, Greensboro</i>	Nashville, TN (Sheraton Nashville)
1988	Richard B. Corbett - <i>Florida State University</i>	Charleston, SC (Omni)
1987	Joseph E. Johnson - <i>Univ. of North Carolina, Greensboro</i>	Savannah, GA (Hyatt)
1986	Bruce B. Palmer - <i>Georgia State University</i>	Tampa, FL (Harbour Island Hotel) ³
1985	John H. Thornton - <i>Univ. of North Texas</i>	Orlando, FL (Hilton)
1984	Claude C. Lilly - <i>Florida State University</i>	New Orleans, LA (Hilton)
1983	James S. Trieschmann - <i>Univ. of Georgia</i>	Atlanta, GA (Hilton)
1982	Jerry D. Todd - <i>University of Texas</i>	New Orleans, LA (Hilton)
1981	Larry D. Gaunt - <i>Georgia State University</i>	Atlanta, GA (Hilton)
1980	John Lewis - <i>Florida State University</i>	New Orleans, LA (Hilton)
1979	Susan M. Phillips - <i>University of Iowa</i>	Atlanta, GA (Hilton)
1978	Robert A. Marshall - <i>Florida State University</i>	New Orleans, LA (Hilton)
1977	S. Travis Pritchett - <i>Univ. of South Carolina</i>	New Orleans, LA (Hilton)
1976	J. Finley Lee - <i>Univ. of North Carolina</i>	Atlanta, GA (Peachtree Westin)
1975	Stuart Schwarzschild - <i>Georgia State Univ.</i>	New Orleans, LA (Royal Sonesta)
1974	Robert S. Cline* - <i>University of Florida</i>	
1973	Linda P. Fletcher - <i>Louisiana State Univ.</i>	
1972	John E. Stinton - <i>University of South Carolina</i>	
1971	William W. "Bill" Dotterweich - <i>Univ. of TN</i>	
1970	E. Ray Solomon - <i>Florida State University</i>	
1969	Kenneth Black, Jr.* - <i>Georgia State Univ.</i>	Washington, DC () ²
1968	Kenneth Black, Jr.* - <i>Georgia State Univ.</i>	Atlanta (Dinkler Plaza) ¹

NOTES:

* = deceased

1 = organizational meeting held during ARIA meeting (August 25, 1968).

2 = first regular meeting, held in conjunction with Southern Economics Association.

3 = first independent meeting: Nov. 24-26, 1986; prior meetings conjunction with Allied Southern Business Associations (ASBA).

Sunday, November 21, 2010

- 3:00-5:00 P.M. **DIRECTORS' & OFFICERS' MEETING**
CITADEL GREEN SOUTH
- 5:00-6:00 P.M. **REGISTRATION & WELCOME DESK**
FOYER, MEZZANINE LEVEL
- 6:00-7:30 P.M. **OPENING RECEPTION**
COLONIAL BALLROOM - E

Monday November 22, 2010

- 7:30-8:30 A.M. **BREAKFAST—** *TOBACCO ROAD RESTAURANT*
- 8:45-10:30 A.M. **PLENARY SESSION**
CITADEL GREEN NORTH

**“CAPTIVES AND OTHER ALTERNATIVE RISK TRANSFER
TECHNIQUES”**

Moderator: Faith Neale, *Univ. of North Carolina—Charlotte*

Presenters: Ernst Csiszar, *Clinical Professor of Finance &
Distinguished Executive in Residence at the Moore
School of Business, University of South Carolina;
Director of Insurance at Bridge Strategy Group LLC*
Jeffrey K. Kehler, *Program Manager—Alternative Risk
Transfer Services Office, SC Dept of Insurance*
Ann West, *President—South Carolina Captive Ins.
Association; Captive Insurance Operations
Manager—HSBC Insurance Management USA*

- 10:30-10:45 A.M. **MORNING BREAK**

Monday, November 22, 2010

10:45-12:00 P.M. **CONCURRENT SESSION ①**

SESSION A: HEALTH INSURANCE
CITADEL GREEN NORTH

Moderator: **Patricia Born**
Florida State University

1. **“The Influence of Managed Care Firms’ Strategic Choice on Financial Performance”**
Patricia Born, *Florida State University*
Kathleen McCullough, *Florida State University*
Brad Karl, *Florida State University*

2. **“An Empirical Analysis of the Infrastructure, Status, and Utilization of International Markets”**
Patricia Born, *Florida State University*
Brad Karl, *Florida State University*

3. **“Changing Concentration in the Health Insurance Industry: Are Mergers Anticompetitive?”**
James Hilliard, *University of Georgia*
Chinmoy Ghosh, *University of Connecticut*
Rexford Santerre, *University of Connecticut*

3. **“Do Health Insurers Possess Market Power?”**
Laurie Bates, *Bryant University*
James Hilliard, *University of Georgia*
Rexford Santerre, *University of Connecticut*

SESSION B: DEMAND FOR INSURANCE
CITADEL GREEN SOUTH

Moderator: **James Carson**
Florida State University

1. **“Corporate Demand for Insurance: Results from Case Study Research”**
Simone Krummaker, *Leibniz University of Hannover*

Monday, November 22, 2010

2. "Adverse Selection and the Demand for Credit Life Insurance"

L. Lee Colquitt, *Auburn University*
Robert Hoyt, *University of Georgia*
Andre Liebenberg, *University of Mississippi*

3. "The Short-Term Response to Insurer Name Changes"

Cassandra Cole, *Florida State University*
James Carson, *Florida State University*
Stephen Fier, *Florida State University*
Demetra Andrews, *Florida State University*

**12:15-1:45 P.M. LUNCHEON & ANNUAL BUSINESS
MEETING - ATRIUM**

2:00-3:15 P.M. CONCURRENT SESSION ②

SESSION A: CATASTROPHES

CITADEL GREEN NORTH

Moderator: William Ferguson
University of Louisiana-Lafayette

**1. "Sources of Uncertainty in Catastrophe Models: A Case Study
of Earthquake Impact on the California State University-
Northridge Campus"**

Patricia Born, *Florida State University*
Randy Dumm, *Florida State University*
John Rollins, *Rollins Analytics, Inc.*

**2. "Windstorm Mitigation: Home Hardening vs. Premium Reduc-
tion, Are the Goals Compatible?"**

Patrick Maroney, *Florida Catastrophic Storm Risk Man-
agement Center*
Charles Nyce, *Florida Catastrophic Storm Risk Man-
agement Center*
Lori Medders, *Florida Catastrophic Storm Risk Man-
agement Center*

**3. "A Cost Approach to Reinsurance Attachment Points: Under-
writing and Insurer Cost of Capital"**

M. Martin Boyer, *University of Montreal*
Charles Nyce, *Florida Catastrophic Storm Risk Man-
agement Center*

Monday, November 22, 2010

SESSION B: IMPACT OF REGULATION
CITADEL GREEN SOUTH

Moderator: Lawrence Powell
University of Arkansas

1. **“The Impact of Regulatory Policy Change on South Carolina Insurance Market Profits”**
Michael Barth, *The Citadel*
2. **“Insurer Responses to Changes in Average Credit Scores: Windfall or Wash?”**
Lawrence Powell, *University of Arkansas—Little Rock*
Gary Wagner, *University of Arkansas—Little Rock*
3. **“Provincial Barriers to Entry and the Composition of Insurance Markets in Canada”**
Mary Kelly, *Wilfrid Laurier University*
Anne Kleffner, *University of Calgary*
Si Li, *Wilfrid Laurier University*
4. **“Financial Guarantee Insurance and Systemic Risk”**
Pamela Peterson Drake, *James Madison University*
Faith Neale, *University of North Carolina at Charlotte*

3:15-3:30 P.M. AFTERNOON BREAK

3:30-4:45 P.M. CONCURRENT SESSION ③

Moderator: James Hilliard
University of Georgia

SESSION A: FIRM PERFORMANCE
CITADEL GREEN NORTH

1. **“Corporate Pension Funding, Future Performance, and Stock Return”**
Shingo Goto, *University of South Carolina*
Noriyoshi Yanase, *Tokyo Keizai University*
Takefumi Ueno, *University of Shizuoka*

Monday, November 22, 2010

2. **“International Diversification and Performance of the World’s Largest Reinsurance Groups”**
J. Francois Outreville, *HEC Montréal*
3. **“A Re-Examination of the Relationship between Geographic and Line-of-Business Diversification and Relative Performance of Property-Liability Insurers”**
Kevin Gatzlaff, *Ball State University*
Kathleen McCullough, *Florida State University*
James Carson, *Florida State University*
4. **“Market Structure and Performance in the Insurance Industry: Effects of Government Intervention”**
David Eckles, *University of Georgia*
James Hilliard, *University of Georgia*

SESSION B: RATINGS, CAPITAL STRUCTURE AND SPECIALIZED INSURANCE PRODUCTS
CITADEL GREEN SOUTH

Moderator: Andre Liebenberg
University of Mississippi

1. **“Insurer Capital Structure and Debt-Equity Hybrid Securities”**
Steven Pottier, *University of Georgia*
Jianren Xu, *University of Georgia*
2. **“Modigliani, Miller and Microinsurance”**
James Jones, *Illinois State University*
Krzysztof Ostaszewski, *Illinois State University*
3. **“Information and A.M. Best Ratings Changes: Do Short Sellers Anticipate Ratings Changes?”**
Chip Wade, *University of Mississippi*
Andre Liebenberg, *University of Mississippi*

5:00-7:00 P.M. PRESIDENTS RECEPTION
COLONIAL BALLROOM - E

Tuesday, November 23, 2010

7:30-8:30 A.M. BREAKFAST— *TOBACCO ROAD RESTAURANT*

8:45-10:00 A.M. CONCURRENT SESSION ④

SESSION A: IMPACT OF REGULATION

CITADEL GREEN NORTH

Moderator: David Eckles
University of Georgia

1. **“Will The Federal Insurance Office Enhance the Development of International Norms for Insurance?”**
Elizabeth Brown, Georgia State University
2. **“Regulating the Use of Prescription Drug Databases in Health Insurance Underwriting”**
Kevin Eastman, Georgia Southern University
Alan Eastman, Indiana University of Pennsylvania
Joseph Ruhland, Georgia Southern University
3. **“Issuing Drivers’ Licenses to Illegal Immigrants and the Effect on the Percentage of Uninsured Motorists”**
J. Tim Query, New Mexico State University
Risa Kumazawa, Duquesne University
4. **“Unemployment Insurance Trust Fund Reserves and Recessions”**
David Eckles, University of Georgia
Robert Hoyt, University of Georgia

SESSION B: RISK FINANCING AND ORGANIZATIONAL FORM

CITADEL GREEN SOUTH

Moderator: Kathleen McCullough
Florida State University

1. **“Characteristics of Self-Insured Nursing Homes in Pennsylvania for Workers’ Compensation Liability”**
Mu-Sheng Chang, Shippensburg Univ. of Pennsylvania

Tuesday, November 23, 2010

2. **“Alternative Risk Transfer: Evidence from Risk Retention Groups for the Liability Loss Exposure”**
Mu-Sheng Chang, *Shippensburg Univ. of Pennsylvania*
3. **“Ta’awuni, or not Ta’awuni, that is the Question: An Efficiency Analysis of Saudi Arabian Takaful Insurance Companies”**
Muhammed Altuntas, *University of Cologne*
Thomas Berry-Stolzle, *University of Georgia*
Fei Liu
4. **“On the Decision to Self-Insure”**
James Carson, *Florida State University*
Kathleen McCullough, *Florida State University*
David Pooser, *Florida State University*

10:00-10:15 A.M. MORNING BREAK

10:15-11:30 A.M. CONCURRENT SESSION ⑤

SESSION A: REGULATION AND RISK

CITADEL GREEN NORTH

Moderator: Ryan Lee
University of Calgary

1. **”Excess Growth and Reserve Risk”**
David Eckles, *University of Georgia*
Michael Barth, *The Citadel*
2. **“Perception of Financial Risks—A Panel Data Analysis for Germany”**
Andy Zuchandke, *Leibniz University of Hannover*
Simone Krummaker, *Leibniz University of Hannover*
Sebastian Reddemann, *Leibniz University of Hannover*
3. **“The Determinants of Auditor Choice and Audit Fees in the US Property-Liability Insurance Industry”**
Carol Troy, *Feng Chia University*

Tuesday, November 23, 2010

SESSION B: CORPORATE DECISION-MAKING

CITADEL GREEN SOUTH

Moderator: **Thomas Berry-Stolzle**
University of Georgia

1. “Determinants of Corporate Diversification: Evidence from the Property-Liability Insurance Industry”

Thomas Berry-Stolzle, *University of Georgia*
Andre Liebenberg, *University of Mississippi*
Joseph Ruhland, *Georgia Southern University*
David Sommer, *St. Mary's University*

2. “An Examination of Property-Liability Insurer Liquidity Creation”

B. Paul Choi, *Howard University*
Jin Park, *Indiana State University*
Chia-Ling Ho, *Feng Chia University*

3. “Internal Capital Markets and the Partial Adjustment and Leverage”

Stephen Fier, *Florida State University*
James Carson, *Florida State University*
Kathleen McCullough, *Florida State University*

MEETING ADJOURNS

See you next year!

44th SRIA Annual Meeting
November 20-22, 2011

Please visit us

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<http://www.southernrisk.org>

SRIA *Southern Risk and Insurance Association*