

January 2006

SHARON TENNYSON

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PERSONAL:

Married, one child

AREAS OF INTEREST

Insurance Economics, Economics of Regulation, Law and Economics

PRIMARY ACADEMIC APPOINTMENTS

August 1998-present *Associate Professor (on leave August 2004-August 2005)*
Department of Policy Analysis and Management
College of Human Ecology
Cornell University, Ithaca, New York

July 1990-June 1998 *Assistant Professor*
Department of Insurance and Risk Management
The Wharton School
University of Pennsylvania, Philadelphia, Pennsylvania

OTHER APPOINTMENTS

2003-present Faculty Fellow, Program on Pharmaceutical Policy Issues,
Department of Policy Analysis and Management, Cornell University

2003-2004 Project Coordinator, Program on Pharmaceutical Policy Issues,
Department of Policy Analysis and Management, Cornell University

April-Dec 2000 Visiting Scholar, Department of Insurance and Risk Management, Wharton
School, University of Pennsylvania

July 1999 Visiting Faculty, Centre for Market and Public Organisation (CMPO),
University of Bristol

1996-1998 Senior Research Fellow, Financial Institutions Center, The Wharton School,
University of Pennsylvania

1990 Instructor, Department of Economics, Northwestern University

EDUCATION

Northwestern University Ph.D. in Economics, 1990
Fields: Industrial Organization, Public Finance
Dissertation: *Supply Dynamics and Underwriting Cycles in Property Liability Insurance*
Academic Awards: Doctoral Dissertation Fellowship, State Farm Companies Foundation,
1988-89; University Scholarship, Northwestern University, 1988-89; Research Fellowship,
Center for Urban Affairs and Public Policy, 1987-88; Graduate Fellowship, 1984-85

UCLA B.A. in Economics, 1980

REFEREED JOURNAL ARTICLES

“Insurance Fraud and Optimal Claims Settlement Strategies,” with Keith J. Crocker, *The Journal of Law and Economics*, Vol. 45, No. 2, October 2002: 469-508.

“Insurance Experience and Consumers’ Attitudes Toward Insurance Fraud,” *Journal of Insurance Regulation*, Winter 2002.

“Claims Auditing in Automobile Insurance: Fraud Detection and Deterrence Objectives,” with Pau Salsas-Forn, *The Journal of Risk and Insurance*, Vol. 69, No. 3, September 2002: 289-308.

“State Curriculum Mandates and Student Knowledge of Personal Finance,” with Chau Nguyen, *Journal of Consumer Affairs*, Vol. 25, No. 2, Winter 2001: 241-262.

“Regulation, Political Influence and the Price of Automobile Insurance,” with J. David Cummins and Richard D. Phillips, *Journal of Insurance Regulation*, Vol. 20, No. 1, Fall 2001: 9-50.

“Efficiency, Scale Economies and Consolidation in the U.S. Life Insurance Industry,” with J. David Cummins and Mary A. Weiss, *Journal of Banking and Finance* Vol. 23, No. 1, 1999: 325-357.

“Capital Shocks and Merger Activity in the Property-Liability Insurance Industry,” with Sandra L. Chamberlain, *The Journal of Risk and Insurance* Vol. 65, No. 4, December 1998: 563-595.

“The Coexistence of Distribution Systems under Price Search: Theory and some Evidence from Insurance,” with Lisa L. Posey, *Journal of Economic Behavior and Organization* Vol. 35, No. 1, January 1998: 95-115.

“The Impact of Rate Regulation on State Automobile Insurance Markets,” *Journal of Insurance Regulation* Vol. 15, No. 4, Summer 1997: 502-523.

“Economic Institutions and Individual Ethics: A Study of Consumer Attitudes Toward Insurance Fraud,” *Journal of Economic Behavior and Organization* Vol. 30, No. 2, February 1997: 247-266.

“Agent Discretion and the Choice of Insurance Marketing System,” with Laureen Regan, *The Journal of Law and Economics* Vol. 39, No. 2, October 1996: 637-666.

“Moral Hazard in Insurance Claiming: Evidence from Automobile Insurance,” with J. David Cummins, *Journal of Risk and Uncertainty* Vol. 12, No. 1, January 1996: 29-50.

“Regulatory Lag in Automobile Insurance,” *The Journal of Risk and Insurance* Vol. 60, No. 1, March 1993: 36-58.

“Reinsurance and the Liability Insurance Crisis,” with Lawrence A. Berger and J. David Cummins, *Journal of Risk and Uncertainty* Vol. 5, No. 3, July 1992: 253-272.

“Controlling Automobile Insurance Costs,” with J. David Cummins, *Journal of Economic*

Perspectives Vol. 6, No. 2, Spring 1992: 95-115.

“Labor Market Discrimination, Imperfect Information and Self-Employment,” with Stephen Coate, *Oxford Economic Papers* Vol. 44, No. 2, April 1992: 272-288.

REFEREED BOOK CHAPTERS

“Automobile Insurance Regulation: The Massachusetts Experience,” with Laureen Regan and Mary A. Weiss, in J. David Cummins, ed., *Deregulating Property-Liability Insurance: Restoring Competition and Increasing Market Efficiency*. Washington, DC: American Enterprise Institute-Brookings Institution Joint Center for Regulatory Studies, 2002: 25-80.

“Insurance Distribution Systems,” with Laureen Regan, in Georges Dionne, ed., *Handbook of Insurance*, Kluwer Academic Publishers, 2000, 709-745.

“Life Insurance Mergers and Acquisitions,” with J. David Cummins and Mary A. Weiss, in J. David Cummins and Anthony Santomero, eds., *Changes in the Life Insurance Industry: Efficiency, Technology and Risk Management*, Kluwer Academic Publishers, 1999: 159-186.

“Costly State Falsification or Verification? Theory and Evidence from Bodily Injury Liability Claims,” with Keith J. Crocker, in Georges Dionne and Claire Laberge-Nadeau, eds., *Automobile Insurance: Road Safety, New Drivers, Risks, Insurance Fraud and Regulation*, Kluwer Academic Publishers, 1999: 120-130.

“Rate Regulation and the Industrial Organization of Automobile Insurance,” with Susan J. Suponic, in David Bradford, ed., *The Economics of Property-Casualty Insurance*, University of Chicago Press, 1998: 113-138.

“Moral Hazard, Adverse Selection and Community Monitored Insurance Programs,” with Neil A. Doherty, in Robert Klein, ed., *Alternative Approaches to Insurance Regulation*, National Association of Insurance Commissioners, 1998: 97-110.

OTHER PUBLICATIONS

“Financial Literacy: A Public Policy Issue -- The Effect of Curriculum Mandates on Student Financial Knowledge,” with Chau Nguyen and B.J. Bristow, *Proceedings* of the 2000 Annual Conference of the Association for Financial Planning and Counseling, November 2000.

“Curriculum Mandates: A Policy to Increase Financial Literacy?” with B.J. Bristow and Chau Nguyen, *Jumpstart Coalition Newsletter*, October 2000.

“Patterns of Auditing in Markets with Fraud: Empirical Results from Automobile Insurance,” with Pau Salsas-Forn, *Proceedings* of the Fourth Annual Congress of Insurance: Mathematics and Economics, July 2000.

“Government Regulation of Insurer Sales Practice,” *Market and Public Organisation*, University of Bristol, Issue 2, December 1999: 7-10.

“The Effect of Rate Regulation on Underwriting Cycles,” *CPCU Journal* Vol. 44, No. 1, March 1991: 33-45.

PAPERS UNDER REVIEW

“Medicaid Crowd-out Of Private Insurance: The Case of Long Term Care,” with Hyojin Kang and Alan Mathios. Invited to revise and resubmit to *Journal of Health Economics*.

“Incentive Effects of Community Rating in Insurance Markets: Evidence from Massachusetts Automobile Insurance.” Invited to revise and resubmit to *Journal of Public Economics*.

“The Incentive Effects of Automobile Insurance Rate Regulation on Loss Costs and Claim Frequency: An Empirical Analysis,” with Laureen Regan and Mary A. Weiss. September 2005. Under review.

“Trends in State Medicaid Prescription Drug Policies 1990-2004: What are the main policies the states are using?” with Kosali Simon and Julie Hudman. December 2005. Under review.

OTHER WORK IN PROGRESS

Moral hazard effects of community rating in automobile insurance.

The role of information and experience in long term care insurance purchase decisions.

State Medicaid prescription drug policies and Medicaid drug costs.

State Medicaid prescription drug policies and patient access to drugs.

The impact of drug warning labels on drug prescribing and use.

BOOK REVIEWS

The Liability Maze: The Impact of Liability Law on Safety and Innovation, Peter Huber and Robert Litan, eds., *Journal of Policy Analysis and Management*, V11, No.4 (Fall 1992): 728-731.

RESEARCH FUNDING

2003-2005 Co-Principal Investigator (collaborative research with Kosali Simon), *Program on Consumers, Pharmaceutical Policy and Health* Grant, “State Regulation of Medicaid Pharmacy Benefits”.

2003-2004 Project Coordinator, *Merck Company Foundation* grant to the Department of Policy Analysis and Management, “Consumers, Pharmaceutical Policy and Health”.

1998-2003 Principal Investigator, *Hatch Grant, USDA*: “Issues in the Regulation of Insurance Marketing and Distribution”.

2001-2002 Principal Investigator, *Cornell Gerontology Research Institute* Pilot Grant, “Public-Private Partnerships for Funding Long Term Care”.

1999-2001 Principal Investigator (collaborative research with B.J. Bristow), *CSREES Research-Extension Integration* Grant: “Insurance Choices: Knowledge, Confidence and Competence of New York State Consumers”.

1998-2001 Principal Investigator, *College of Human Ecology* Grant, Cornell University: “Regulatory Issues in Insurance Markets”.

1995-1997 Principal Investigator (collaborative research with K.J. Crocker), *National Science Foundation*, Economics Division Grant #SBR95-07768: “Contracting with Costly State Falsification: Theory and Empirical Results from Automobile Insurance”.

- 1995-1996 Principal Investigator, *National Association of Insurance Commissioners* Grant: “The Effects of Rate Regulation on the Structure of Automobile Insurance Markets”.
- 1994-1995 Principal Investigator, *University of Pennsylvania Research Foundation* Grant: “Regulation and Industrial Organization in Structurally Competitive Industries: The Case of Automobile Insurance”.
- 1994-1995 Principal Investigator, *University of Pennsylvania Research Foundation* Grant: “Social Norms in Economic Settings: Consumer Attitudes Toward Insurance Fraud”.
- 1993-1995 Co-Principal Investigator (collaborative research with J.D. Cummins), *Financial Institutions Center* Grant, The Wharton School: “The Management and Control of Fraud in Insurance Firms”.
- 1993-1994 Co-Principal Investigator (collaborative research with S. Chamberlain), *Fishman-Davidson Center* Grant, The Wharton School: “The Risk and Efficiency Effects of Insurance Company Mergers”.
- 1992-1993 Principal Investigator, *University of Pennsylvania Research Foundation* Grant: “The Tort System and Insurance ‘Lotteries’”.
- 1989-1990 Principal Investigator, *Society of CPCU* Grant: “The Effects of Rate Regulation on Underwriting Cycles”.
- 1988-1989 Doctoral Dissertation Fellowship, *State Farm Companies Foundation*: “Supply Dynamics and Underwriting Cycles in Property Liability Insurance”.

COURSES TAUGHT

- Cornell: Economics of Consumer Policy, Applied Public Finance, Risk Management and Policy, Microeconomics for Management and Policy (MHA), Seminar on Pharmaceutical Policy Issues (MHA)
- Wharton: Principles of Risk and Insurance, Risk Management, Risk Management and Treatment (MBA.), Industrial Organization of Insurance Markets (PhD)
- Northwestern: Public Finance

PROFESSIONAL ACTIVITIES

Editorships

Editorial Board member, *Journal of Insurance Regulation*, December 2005-present; Associate Editor, *Journal of Risk and Insurance*, November 2004-present.

Ad Hoc Reviewing

Ad Hoc Reviewer for: *Journal of Risk and Insurance* (Assistant Editor award 1996, 1997), *Journal of Political Economy*, *American Economic Review*, *Journal of Law and Economics*, National Science Foundation, *Geneva Papers on Risk and Insurance Theory*, *Journal of Legal Studies*, *Journal of Insurance Regulation*, *Journal of Consumer Affairs*, *Journal of Business Ethics*, *European Economic Review*, *Journal of Consumer Policy*, *Risk Management and Insurance Review*, *International Review of Economics and Finance*, *Industrial and Labor Relations Review*, *Journal of Insurance Issues*, *Economic Journal*, *Journal of Financial Intermediation*, *Journal of Risk and Uncertainty*, MIT Press.

Papers presented at Conferences

AEI-Brookings Joint Center for Regulatory Studies Conference on Property-Liability Insurance Price Deregulation, 2001; American Council on Consumer Interests Meetings, 2001; Risk Theory

Society Seminar, 2001, 1996, 1992; Seminar of the European Group of Risk and Insurance Economists, 2000; Insurance: Mathematics and Economics, 2000; Fifth International Conference on Insurance Solvency and Finance, 1997; International Conference on Automobile Insurance (University of Montreal), 1997; American Risk and Insurance Association Meetings, 1996, 1995, 1994, 1992, 1991; NBER Pre-Conferences on Property-Casualty Insurance, 1994-1995; Econometric Society North American Summer Meeting, 1994; Franco-American Economics Seminar, 1994; American Economic Association Meetings, 1993.

Other Conference Participation

Select Paper session moderator, American Risk and Insurance Association meetings, 2004; Program Chair, Risk Theory Society Seminar, 2002; Session moderator, American Council on Consumer Interests Meetings, 2001; session moderator, American Risk and Insurance Association Meetings, 2000; Session organizer, CSWEP session on Health Insurance Policy, Western Economic Association meetings, 1999.

Invited Seminars

University of Bristol (economics department), University of British Columbia (business school), Cornell University (business school, policy analysis and management department), Duke University (economics department, public policy school), Georgia State University (business school), London Business School, University of London (Royal Holloway College economics department), University of Maryland (economics department), Michigan State University (economics department), University of Minnesota (business school), The Pennsylvania State University (economics department, business school), University of Pennsylvania (business school), University of Rochester (public policy analysis program), Rutgers University (economics department), Virginia Commonwealth University (business school), University of Wisconsin (business school), Federal Reserve Bank of Philadelphia, Federal Reserve Bank of Richmond.

Presentations to Non-Academic Groups

Presenter, "Insurance Fraud and Optimal Claims Settlement Strategies," Insurance Research Council/Massachusetts Automobile Insurers' Bureau, Conference on Insurance Fraud, November 2002; Panel Member, "Understanding Insurance Fraud: Theory and Practice," Casualty Actuarial Society national meeting, November 2001 and May 2002; Speaker, "Life is a Risky Business: Making Insurance Choices Wisely", ACCEE Conference, October 2001; Speaker, "Improving Insurance Knowledge of New York State Consumers," Cornell Cooperative Extension In-Service, March 2000; Discussant, "The Benefits of Mileage Based Auto Insurance Policies," Economic Policy Institute conference, December 10, 1998; Speaker, Minnesota Independent Insurance Agents Association, "The Future of Insurance Marketing Systems," October 25, 1996.

SERVICE ACTIVITIES

Service to Government and Industry

Consultant, Institute for Defense Analysis, 2003-2005; Member, Board of Trustees, Elizabeth Ann Clune Montessori School of Ithaca, 2004-2005; Cornell representative to Board of Directors, Ithaca Community Childcare Center, 2000-2004 (Vice President, 2002-2003; Secretary 2001-2002); Advisor, Consumer Information Task Force of the Coalition Against Insurance Fraud, 1996-97; Expert witness, Maryland State Governor's Commission on Reforming Baltimore City Automobile Insurance, March 1995.

Service to Professional Organizations

Risk Theory Society: Past-President, 2003-2004; President, 2002-2003; Secretary, 2001-2002.

American Risk and Insurance Association: Program Committee, 1992-93, 1995-96, 1996-97, 1999-00, 2005-06; Nominations Committee, 1995-96; Best Article Awards Committee, 1994-95, 1995-96, 1997-98, 2005-06; Book Awards Committee, 1991-92, 1998-99 (chair), 2002-03, 2003-04.

Service on Cornell Committees

College and University: Mann Library Committee, 2005-2006; University Benefits Committee, 2002-2006; Grant Review Team, Hatfield Fund for the Enhancement of Economics Education, 2002-2005; College of Human Ecology Nominations Committee, 2001-2004; College of Human Ecology Educational Policies Committee, 2002-2003; Review Team, Preproposals for Cornell Cooperative Extension Learning Centers, 2001.

PAM Department: Liaison to Mann Library, 2005-2006; Director of Undergraduate Studies, 2002-2003; Executive Committee, 2002-2003; Undergraduate Committee, 1998-2003 (Chair, 2002-2003); Sloan MHA Program Committee, 1998-2001; Faculty Search Committee, 1998-2002, 2002-2004 (Chair), 2005-2006; Search Committee for Sloan Program Associate Director, 1999-2000 (Chair).

PAM Graduate Field: Field Governance Committee, 2000-2001; Field Committee, 2001-2002.

Service on Ph.D. Dissertation Committees

Lisa L. Posey, Ph.D. 1992; Lauren A. Regan, Ph.D. 1993; Anne E. Kleffner, Ph.D. 1993; David W. Sommer, Ph.D. 1993; Jeong D. Kim, Ph.D. 1994; Richard A. Phillips, Ph.D. 1994; Sung Hun Seog, Ph.D. 1995; Tracy Shepard Allotey, Ph.D. 1995; Jweeping Er, Ph.D. 1996; David M. Russell, Ph.D. 1997; M. Martin Boyer, (chair) Ph.D. 1998; Susan Suponcic, Ph.D. 1998; Hyojin Kang, Ph.D. 2003; Sonja Afroz, Ph.D. 2005; Sara Hoda, Ph.D. expected 2006; Hae Kyung Yang, Ph.D. expected 2006; Ajay Aseem Palvia, Ph.D. expected 2006; Michael Collins, (chair) Ph.D. expected 2007.

Cornell Graduate Field Membership

Policy Analysis and Management, Economics, CIPA

Seminar Organization

Co-Coordinator, Olin Law and Economics Brownbag Seminar, Cornell, Fall 2004; Coordinator, Seminar on Pharmaceutical Policy Issues, Cornell, 2003-2004, 2004-2005; Coordinator, Research Seminar, Dept. of Insurance and Risk Management, Wharton, 1992-1997.