

Belgium: Making access to social rights automatic in order to reduce non-take-up of benefits

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On 26 March 2020, the Belgian government decided to put in place a system allowing the automatic identification of potential beneficiaries of increased reimbursement of healthcare costs. The decision is part of a broader approach aiming to reduce non-take-up of benefits. It builds on extensive academic research on the positive impact of automation of access to social rights.



Description

On 26 March 2020, the Belgian Government decided by Royal Decree to implement the automatic identification of potential beneficiaries of increased reimbursement (IR) of healthcare costs. This IR beneficiary status means that people on a low income or beneficiaries of certain benefits are entitled to reduced co-payments and a lower maximum bill for healthcare expenses (a financial measure that places a ceiling on the healthcare costs of families with a certain social status or with a modest family income, above which out-of-pocket payments are reimbursed). It also gives them access to third-party payer arrangements and other financial advantages with regard to transport as well as local benefits or services.

IR beneficiary status is granted to people receiving the minimum income, the guaranteed income for older people or disability benefits. For them, automatic granting of IR beneficiary status has considerably improved over time. Yet, even though IR was always granted to these groups, a recent impact study shows that take-up of IR benefits has substantially increased since the federal administrations in charge of the replacement incomes and the local public centres for social welfare began automatically to transmit their clients' data to the health insurance funds via the Crossroads Bank for Social Security.

IR is also granted to people on a low income, following an income test. Before 2015, clients had to file an application, and their household income was then

investigated by a local social health insurance office. Between 2015 and 2017, potential IR beneficiaries were identified proactively, through the so-called "pro-active flux" method. During this period, the National Institute for Health and Disability Insurance (RIZIV/INAMI), in collaboration with the tax administration, provided the social health insurance funds with a list of potential beneficiaries, who were contacted via letters and flyers. To evaluate the pro-active flux, under the TAKE project, funded by the Belgian Science Policy Office, a large-scale randomised field experiment (involving more than 50,000 households including more than 90,000 people) was carried out in cooperation with a social health insurance fund that covers approximately 40% of the Belgian population. The experiment, carried out between November 2015 and May 2017, showed that mailing increased take-up of IR by about 10 to 15 percentage points (i.e. a three- to fourfold increase on the original control group levels of around 4.9%]), although with large differences across geographical areas. An evaluation carried out by RIZIV/INAMI in 2018 showed similar positive effects of the pro-active flux.

Based on these results, the new legal framework will change the pro-active flux, organised in 2015, from a one-off measure into a yearly organised practice. RIZIV/INAMI and the federal government have agreed to further consider refining the eligibility criteria and the means-testing procedure, to improve the automatic identification of potential beneficiaries and to make spending more effective and equitable.

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Outlook and commentary

Over the past seven to eight years, there has been a special focus on “smart” use of administrative data in the fight against non-take-up in Belgium, with an important role for the Crossroads Bank for Social Security, which gathers and stores key data on beneficiaries of various income-replacing benefits. The automatic identification of people entitled to increased reimbursement is part of a broader package aimed at automating access to social rights. The practice is actively promoted by the federal and regional governments in their governmental declaration, as well as in consecutive action plans to fight poverty at federal and regional levels.

Today, several social rights are granted automatically. This includes social tariffs for gas and electricity, a maximum bill for health expenses, reduced taxes for people with disabilities, the guaranteed income for older people, and increased child benefits for families in vulnerable situations. Automatic granting of social rights has been a long-standing priority for social NGOs and for the Combat Poverty, Insecurity and Social Exclusion Service. It is considered as an effective means to reduce non-take-up of social rights, which undermines effectiveness of social policy, creates non-justifiable inequalities and results in hard-to-cure poverty. The aforementioned Service has listed all measures, both at federal and regional level, involving automatic access to social benefits. It has defined four different degrees of automation: automatic opening of entitlement, automatic identification of beneficiaries, automatic reassessment and administrative simplification.

Furthermore, there are several ongoing research projects alongside the TAKE project. The BELMOD project, funded through the EU Programme for Employment and Social Innovation (EaSI) and coordinated by the Federal Public Service for Social Security, investigates which further steps should be taken to improve automatic opening of social entitlements and identification of potential beneficiaries. This includes harmonising the means-testing procedure and the definition of households eligible for benefits, and working with a notion of actual income that provides more up-to-date information about households’ income than that given by the tax income data. Improving the assessment of actual income is of particular importance for vulnerable households with large income instability. One preliminary conclusion of this research is that fully automated opening of the social right to means-tested benefits is difficult to achieve, because several income sources that are used for means-testing are not centrally registered. Automatic identification of potential beneficiaries seems to be a more easily achievable option.

Researchers also warn against possible negative consequences of automation of rights, such as dangers connected to the use of algorithms, inverse logics where availability of data would determine eligibility criteria, automatic granting of social rights implying also automatic withdrawal of such rights. They stress the importance of up-to-date data, of maintaining parallel application procedures where citizens can file an application, of personalised contact especially with vulnerable people and of good communication.

Further reading

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