Federal Public Service
**Social Security**

# BELMOD

STEERING GROUP

Brussels 20/05/2019

| | |
|---|---|
| **NEW MICRO-SIMULATION TOOL** | ▪ to modernize the FPS's current static tax-benefit model MIMOSIS by integrating it in the EUROMOD infrastructure |
| **NATIONAL REFORM PLAN AIMED AT REDUCING NON-TAKE UP** | ▪ to support evidence based policy-making in the field of the simplification, harmonization and automatic granting of means-tested benefits in Belgium |

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| FINANCED BY | European Commission (Access to Social Protection and National Reform Support – EaSI) |
| COORDINATED BY | Federal Public Service Social Security |
| PARTNERS | University of Antwerp<br>KULeuven<br>University of Essex<br>Federal Planning Bureau |
| ASSOCIATE ORGANISATIONS | National Pension Office<br>National Inst. for Sickness and Disability Insurance<br>PPS Social Integration |
| PERIOD | January 2019 – December 2021 |

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| 9.30 | The BELMOD-project<br>N. VAN MECHELEN (FPS Social Security) |
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| 10.00 | The EUROMOD tax benefit model<br>G. VERBIST (University of Antwerp) |
| 10.20 | The EXPEDITION tax benefit model<br>D. VANDELANNOOTE (Federal Planning Bureau) |
| | Break |
| 11.00 | Accessibility of minimum income guarantee<br>J. BARREZ (PPS Social Integration) |
| 11.15 | Automatization of min. inc. guarantee elderly<br>I. DE BEULE (Federal Pensions Service) |
| 11.30 | Non-take up of the increased reimbursement<br>D. NEVENS (NISDI) |
| 11.45 | Nudging at the 'Persons with Disabilities' Dep.<br>E. VERSAVEL (FPS Social Security) |
| | Lunch |

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| KEY PURPOSE | GENERAL |
|---|---|
| | ▪ To assess – in advance – the direct impact of tax benefit policy reforms on the disposable income of households (hence on poverty risks, income inequality,…) and public expenditure |
| | **BELMOD** |
| | ▪ To assess the impact of changes in means-tests on the size of and profile of the population of beneficiaries, on household disposable incomes, and public expenditure |

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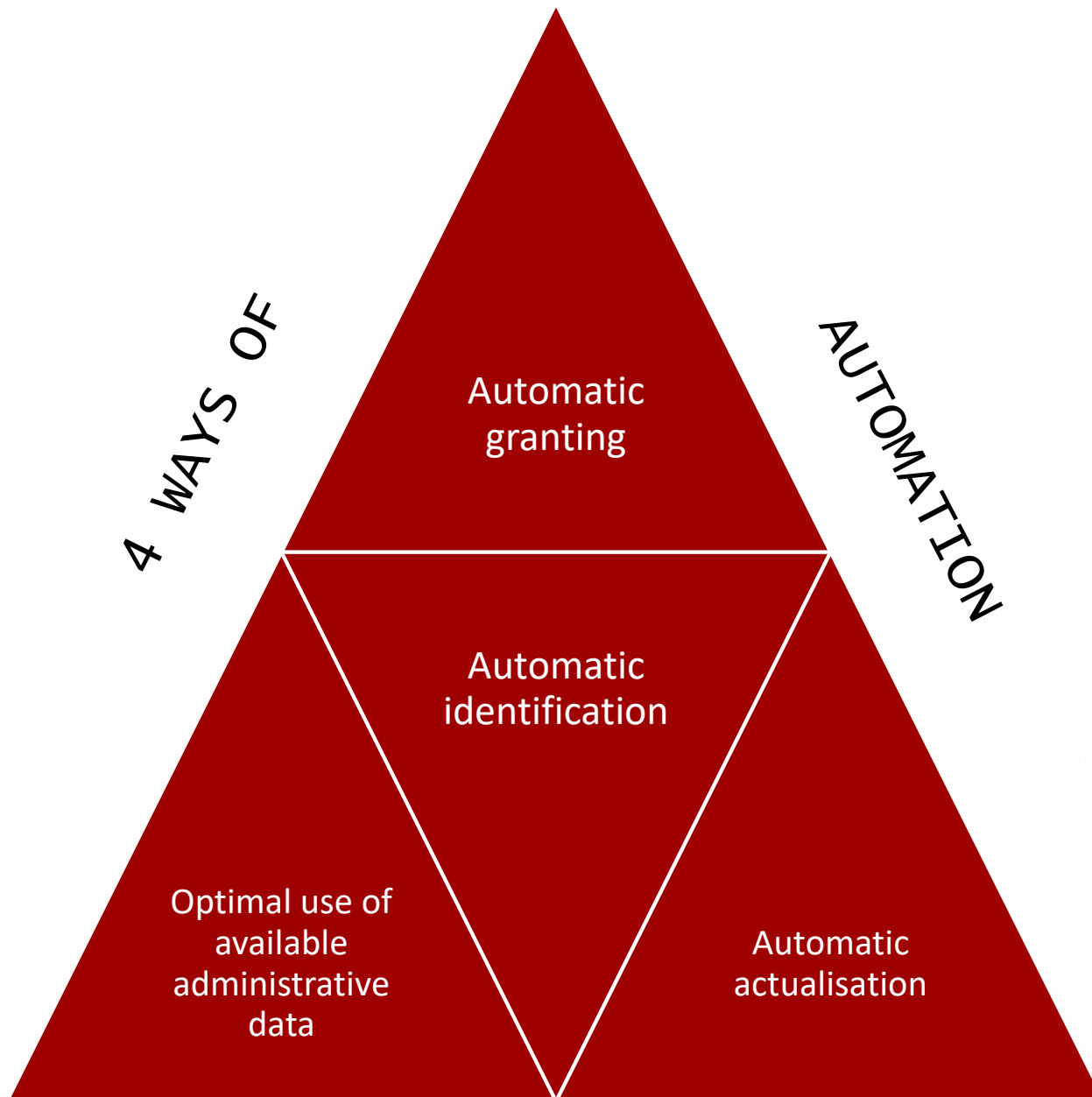| | |
|---|---|
| **STRENGTHS** | ▪ Input data: a large sample administrative dataset<br>  ➤ Representative at regional level<br>  ➤ Administrative income concepts<br><br>▪ Detailed modeling of family benefits, unemployment insurance benefits, sickness and disability benefits, income support, social insurance contributions, personal income tax |
| **WEAKNESSES** | ▪ Isolated<br><br>▪ Not user friendly<br><br>▪ Time-consuming<br><br>▪ Modeling of means-tested benefits can be improved |

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## OBJECTIVES

- to adress MIMOSIS' weaknesses while preserving its strengths

- to create a platform for cooperation between the main actors of static microsimulation within Belgium and Europe

- to develop a modeling tool to assess the social and budgetary impact of a simplification, harmonization and automation of means-tested benefits in Belgium (f.e. by integrating tax return data)

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4 WAYS OF

AUTOMATION

Automatic granting

Automatic identification

Optimal use of available administrative data

Automatic actualisation

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| AUTOMATIC GRANTING | <ul><li>Relatively easy for so-called derived social rights</li><li>Not so easy for income support itself:<ul><li>Monthly labour market income after payroll taxes is not administratively available</li><li>No central register movable property</li><li>Timeliness of administrative data</li><li>Right on social integration is not only about income support</li></ul></li><li>BELMOD: investigate the possibilities of automatic granting of heating allowance and income support for the disabled</li></ul> |
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## AUTOMATIC IDENTIFICATION

- Already partly installed for income support for elderly people

- See also 'proactive flux' for the increased reimbursement of health care costs (IR)

- BELMOD: possibilities of (more elaborate or permanent) automatic identification of potential beneficiaries of income support, income support elderly, IR

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A NEW TAX
BENEFIT MODEL

A NATIONAL
REFORM PLAN

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A NEW TAX BENEFIT MODEL

NATIONAL WORKSHOP

INTERNATIONAL WORKSHOP

COOPERATION PLATFORM

OTHER DISSEMINATION ACTIVITIES

A NATIONAL REFORM PLAN

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A NEW TAX BENEFIT MODEL

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OTHER DISSEMINATION ACTIVITIES

REPORT ON BEST PRACTICES OF PROACTIVE COMMUNICATION

LEGAL COMPARISON OF MEANS TESTS

A NATIONAL REFORM PLAN

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# 2019

LEGAL COMPARISON OF MEANS TESTS

REPORT ON POSSIBILITIES OF FULL AUTOMATIC GRANTING

# 2020

A NEW TAX BENEFIT MODEL

FIRST MODELLING RESULTS

# 2021

INTERNATIONAL WORKSHOP

NATIONAL WORKSHOP

OTHER DISSEMINATION ACTIVITIES

MONITORING PLAN

REPORT ON BEST PRACTICES OF PROACTIVE COMMUNICATION

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## THE 'TAKE' PROJECT

- Research funded by Belspo

- Coordinated by UA (T. Goedeme)

- Partners: ULG, FPS SS, FPB

- Period: 2016-2020 (+12/18m)

- Objective: to determine the size, determinants and consequences of non-take up
  - ✓ Survey of 2200 low income families
  - ✓ Linked to administrative data

- Synergies with BELMOD: to investigate the impact of policy reform, but only for a sample of low income families

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**PURPOSE**

- Present the BELMOD-project

- Present related projects

- Present measures aimed at reducing non-take up (taken & planned)

- Gather first ideas for policy measures to be modelled by BELMOD

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A NEW TAX
BENEFIT MODEL

NATIONAL
WORKSHOP

THANKS FOR YOUR ATTENTION! QUESTIONS , REMARKS, ….?

PLATFORM

OTHER
DISSEMINATION
ACTIVITIES

OF MEANS
TESTS

MONITORING
PLAN

REPORT ON BEST
PRACTICES OF
NUDGING

A NATIONAL
REFORM PLAN