

# BELMOD

Steering Committee  
Brussels 29/10/2020

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# National Reform Plan

Report on the possibilities of simplifying and harmonising means tests in Belgium

Report on the possibilities of automatic granting in Belgium

Stakeholder consultations  
(Steunpunt & BAPN)

Inventory of possible  
policy measures

Simulation of possible  
policy measures

Jan 2019

Dec 2020

2021/2022

2021/2022



## Report on the possibilities of simplifying and harmonising means tests

Income support (Leefloon/Revenu d'intégration)

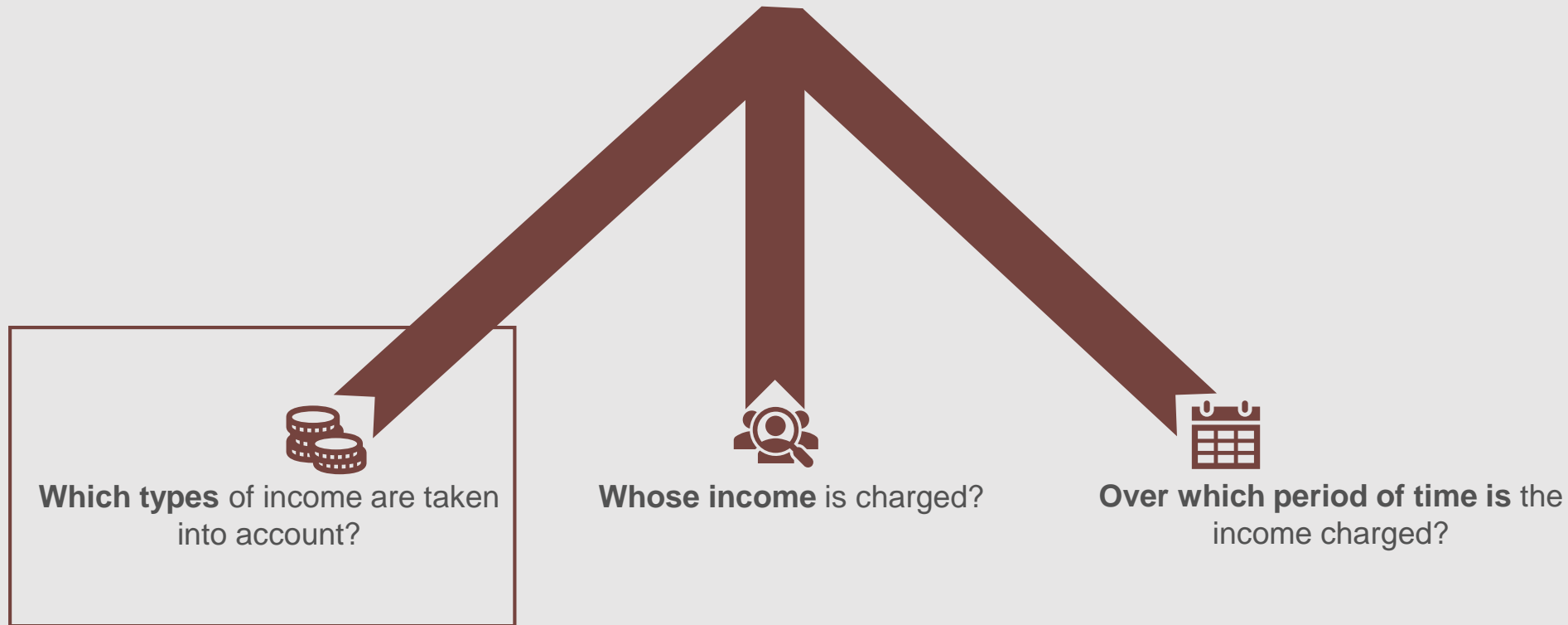
Income support elderly (IGO/GRAPA)

Income support disabled (IVT/ARR)

Increased reimbursement (VT/IM)

Heating allowance (Verwarmingstoelage/Allocation de chauffage)

## Report on the possibilities of simplifying and harmonising means tests





## Which types of income are taken into account?

### INCOME FROM EMPLOYMENT

#### INCOME CONCEPT

#### SOCIAL BENEFIT

Gross taxable income (tax declaration)

Increased reimbursement

Heating allowance

Income support elderly

Net taxable income (tax declaration)

Income support disabled

Net wage (paycheck)

Income support

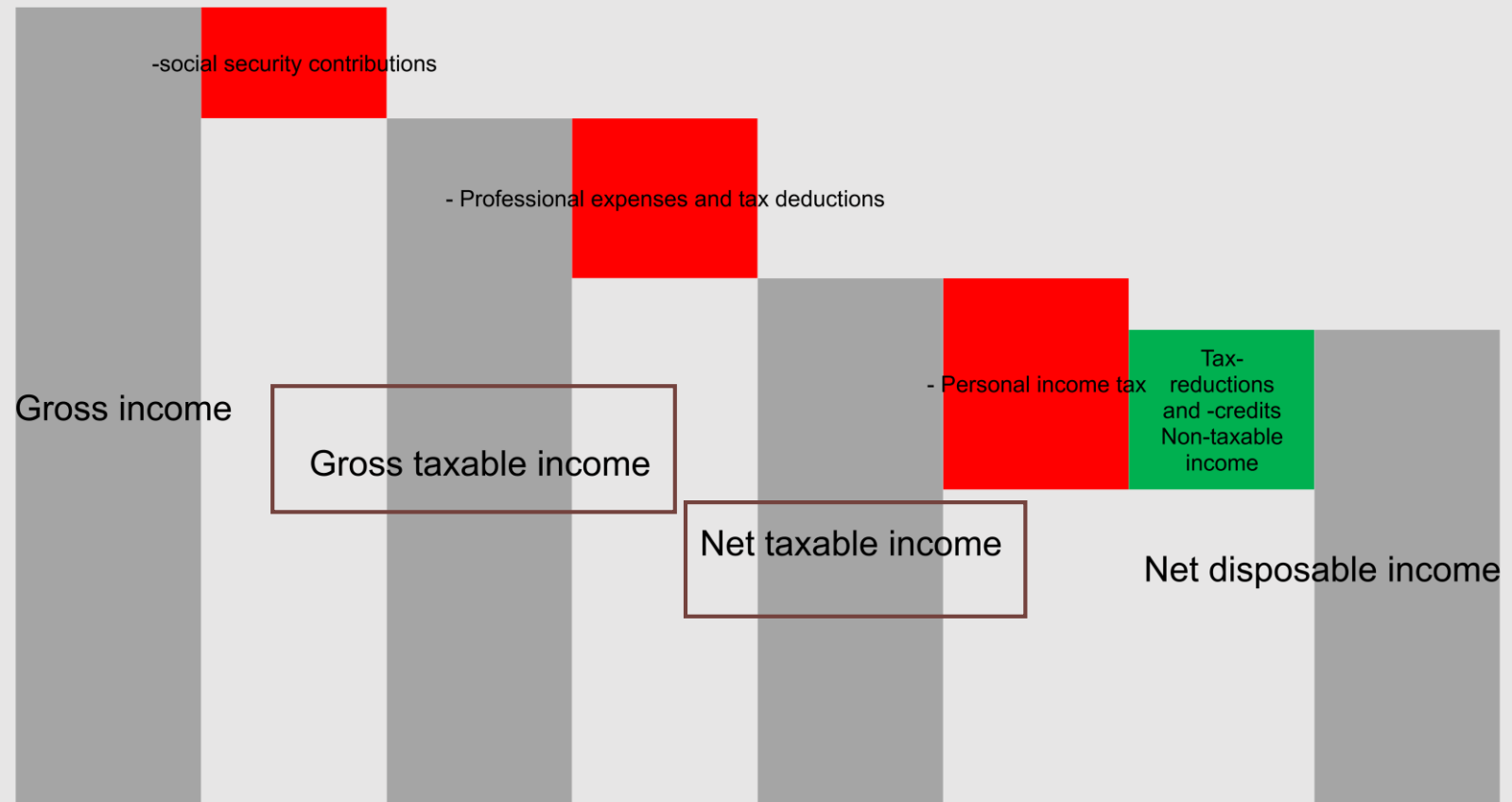
-----> Different exemptions per benefit on income from employment



# Which types of income are taken into account?

INCOME FROM EMPLOYMENT

## Income concept tax declaration

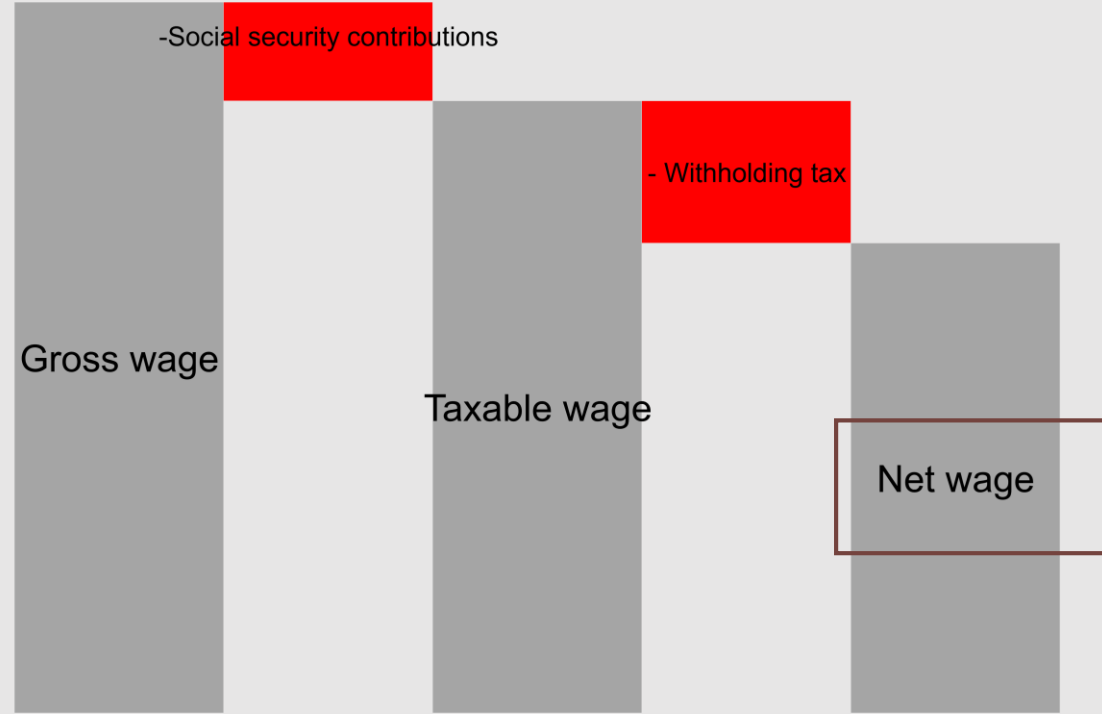




# Which types of income should we take into account?

## INCOME FROM EMPLOYMENT

Income concept paycheck





# Which types of income are taken into account?

## INCOME FROM ASSETS

### MOVABLE assets

Income from movable assets tax declaration

Income support disabled  
Heating allowance

Total income from movable assets

Increased reimbursement

Movable assets + Gifts/sale of movable assets

Income support, Income support elderly

### IMMOVABLE assets

Income from immovable assets tax declaration

Income support disabled  
Heating allowance

Total income from immovable assets

Increased reimbursement

Total income from immovable assets + Gifts/sale of immovable assets

Income support, Income support elderly

Gross rental prices

Income support

→ Different exemptions for different benefits:

Ex: Owner-occupied home exempted : Income support disabled & Heating allowance

Owner-occupied home not exempted: Income support, Income support elderly, Increased reimbursement





## Which types of income are taken into account?

INCOME FROM SOCIAL BENEFITS

Income from social security benefits are taken into account, except family allowances (incl. school supplements)

Income from social assistance benefits are NOT taken into account, except the income support elderly

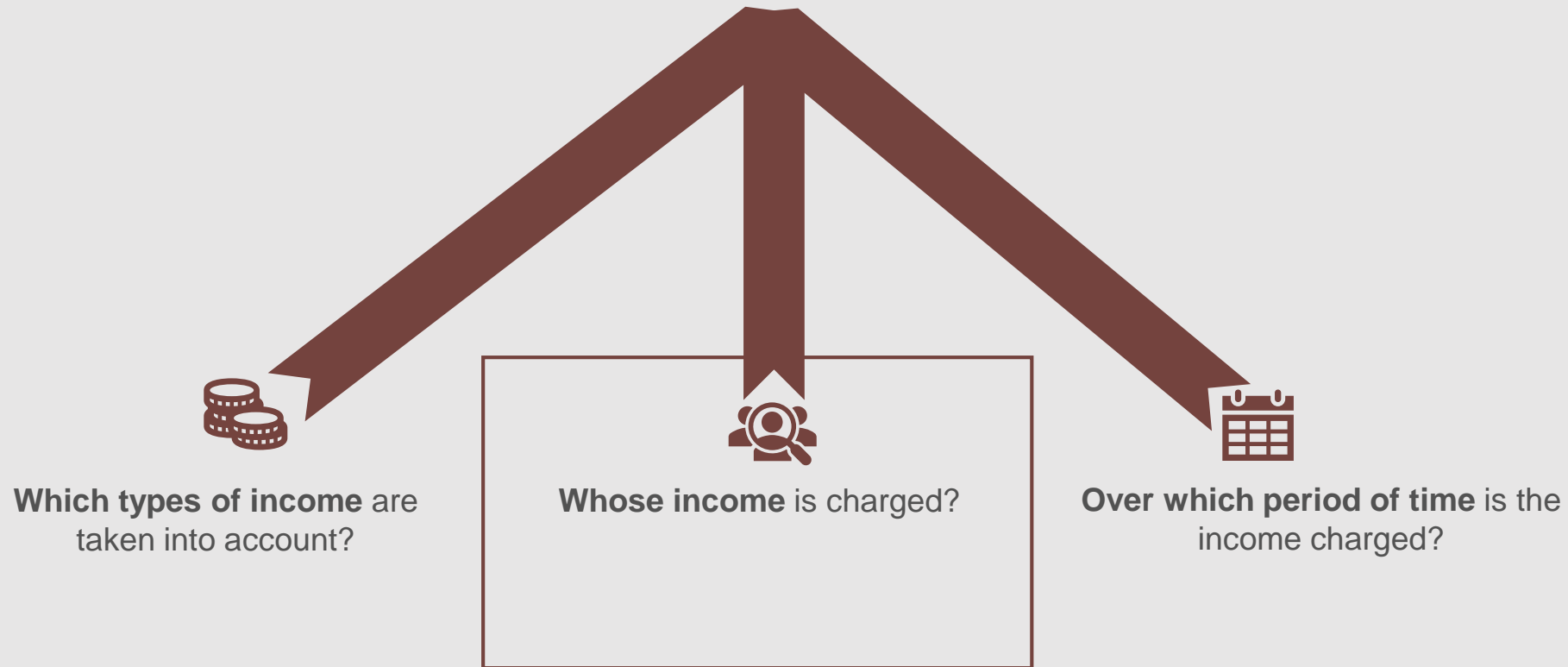


## Which types of income are taken into account?

### INCOME FROM OTHER SOURCES

Social benefit	RECEIVED maintenance fee	PAID maintenance fee	Study grants
Increased reimbursement	Always taken into account	Always taken into account	Always exempted
Income support disabled	Only exempted if it is for the benefit of dependent children	Always taken into account	Always exempted
Income support	Only exempted if it is for the benefit of dependent children	Always taken into account	Always exempted
Income support elderly	Only taken into account if received from ex-partners	Always exempted	Always exempted
Heating allowance	Always taken into account	Always taken into account	Always exempted

## Report on the possibilities of simplifying and harmonising means tests





## Whose income is charged?

<p>Narrow</p>  <p>Broad</p>	Income support elderly	Spouse or legal cohabitant if they share the same main residence
	Income support disabled	Spouse or cohabitant, who is not a blood relative from the first to the third degree, if they have the same main residence
	Increased reimbursement	Spouse or cohabitant, who is not a blood relative from the first to the third degree, if they have the same main residence + dependants of applicant and cohabitant
	Income support	Spouse or partner and adult ascendants and descendants of the first degree registered at the same address
	Heating allowance	All household members

## Report on the possibilities of simplifying and harmonising means tests



**Which types of income** are taken into account



**Whose income** is charged?

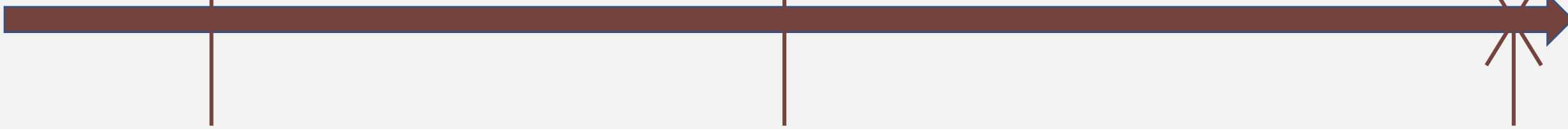


**Over period of time** is the income charged?



## Over which period of time is the income charged?

Request benefit



A horizontal timeline is shown as a thick dark red arrow pointing to the right. Three vertical lines mark specific points on the timeline. The first line is on the left, the second is in the middle, and the third is at the tip of the arrow. Below each line is text describing the income period. The text for the first line is 'Income - 2 years' and 'Ex: Income support disabled'. The text for the second line is 'Income - 1 year' and 'Ex: Income support disabled'. The text for the third line is 'Current income' and 'Ex: Income support'. The arrow itself is crossed out with a large 'X' at its tip.

Income – 2 years  
Ex: Income support  
disabled

Income – 1 year  
Ex: Income support  
disabled

Current income  
Ex: Income  
support

## Report on the possibilities of simplifying and harmonising means tests



**Which types** of income is taken into account?



**Whose income** is charged?



**Over which period of time** is the income charged?

1. Completeness
2. Reality
3. Timeliness
4. Simplicity

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possible policy  
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# Report on the possibilities of automatic granting in Belgium

## AUTOMATION AND NON-TAKE-UP

Information costs (barriers to obtain information about social benefits)

Process costs (complex application procedures)

Psychological and social costs (stigma)

# Report on the possibilities of automatic granting in Belgium

## FOUR TYPES OF AUTOMATION

Automatic opening of a right

Automatic identification of potential beneficiaries

Automatic actualization of rights

Simplification of the application process

Use of administrative data (only-once principle)

Digital application (income support elderly & income support disabled)

# Report on the possibilities of automatic granting in Belgium

## MEASURES TAKEN – AUTOMATIC OPENING OF RIGHTS

Use of buffer databank – e.g. social tariff gas & electricity

Increased reimbursement

Maximum invoice (MAF/MàF)

Lump sum for chronically ill patients

Tax reduction in case of incapacity for work or disability

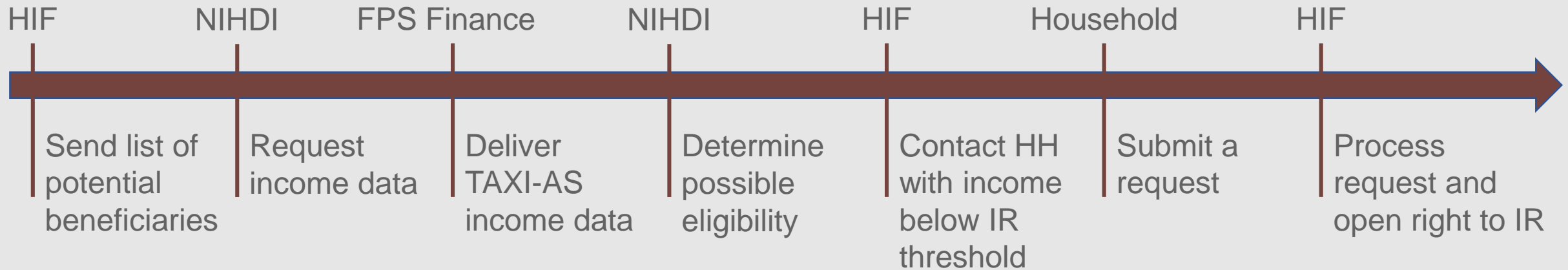
# Report on the possibilities of automatic granting in Belgium

## MEASURES TAKEN – AUTOMATIC IDENTIFICATION

Income support elderly

Increased reimbursement – ‘Proactive Flux’

→ Uptake in 19.27% of contacted households



# Report on the possibilities of automatic granting in Belgium

## POSSIBILITIES FOR AUTOMATION



AUTOMATIC OPENING

Income support disabled

Heating allowance

AUTOMATIC IDENTIFICATION

Income support

Income support elderly

Increased reimbursement

# Report on the possibilities of automatic granting in Belgium

TERMS & CONDITIONS



Privacy



Communication



High quality and up-to-date data

Income data from taxes → 2 year delay

Possible solution: up-to-date income concept to be used for identification

# Report on the possibilities of automatic granting in Belgium

UP-TO-DATE INCOME CONCEPT  
(used for automatic identification)

Wages

Holiday pay

Income from self-employment

Unemployment benefits

Sickness & disability benefits

Pensions

Social assistance benefits

Benefits paid in the context of an accident at work, an accident to and from work or an occupational disease

Overseas Social Security benefits

Cadastral income