



Do reclaims trigger non-take-up of social welfare?

Proposal for a study with CBS Microdata

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NON-TAKE-UP IN THE NETHERLANDS



Non-take-up of national benefits	Source CPB (2019)
Health care benefits	16% (> 800.000)
Rent benefits	10% (140.000 – 150.000)
Child support benefits	15% (120.000 – 130.000)

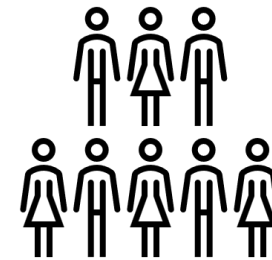
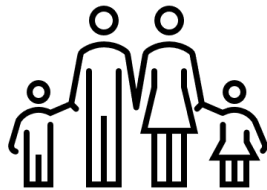
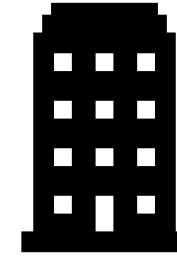
Source: CBP (2019)

Non-take-up local programs	
Individual allowance	2% - 25%
Collective health care	40% - 48%
City pass	7% - 25%
Exemption from local taxes	14% - 25%

Source: Amsterdam, Den Haag, Utrecht, Zwolle

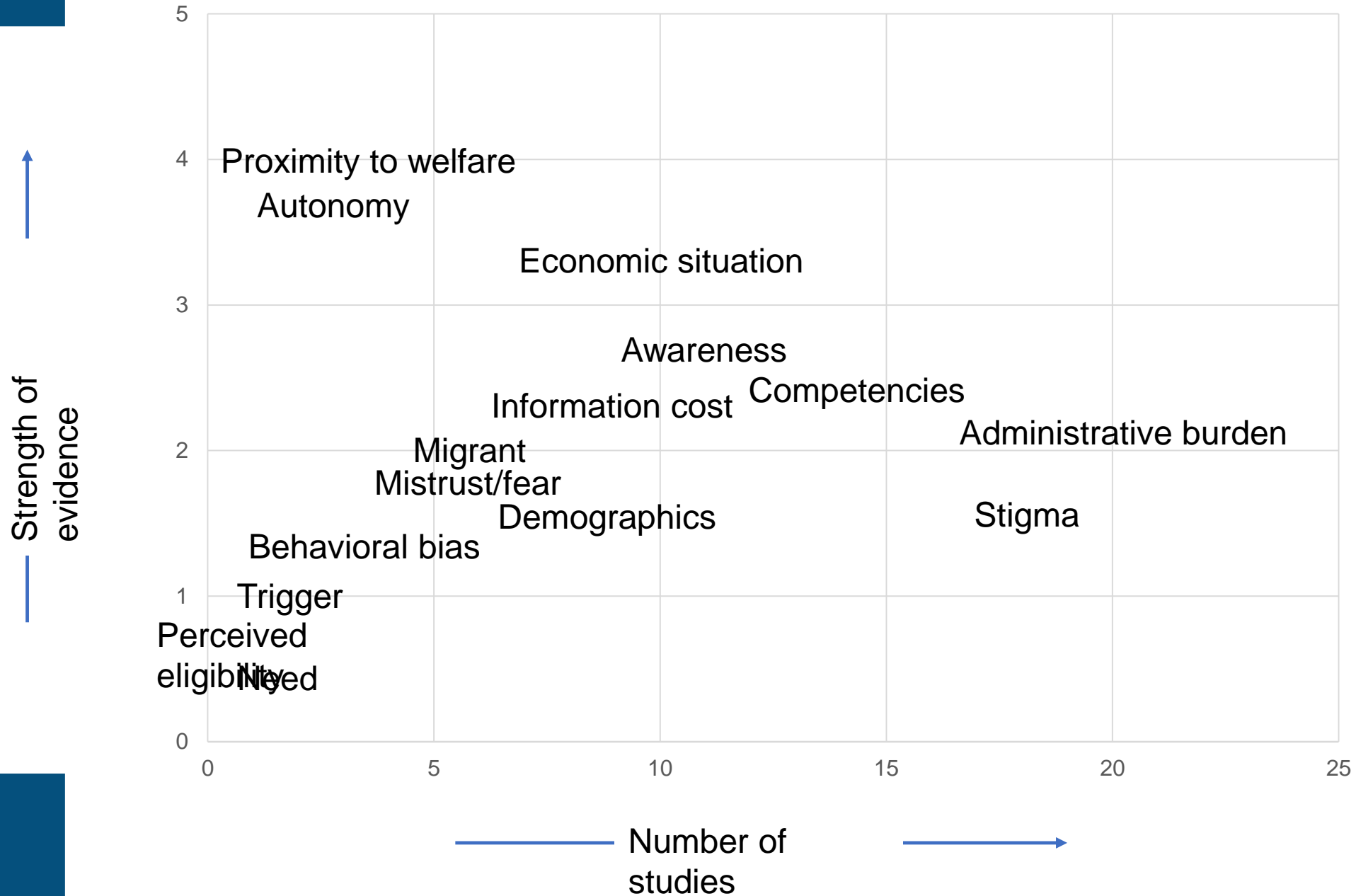


Determinants of non-take-up from the international literature

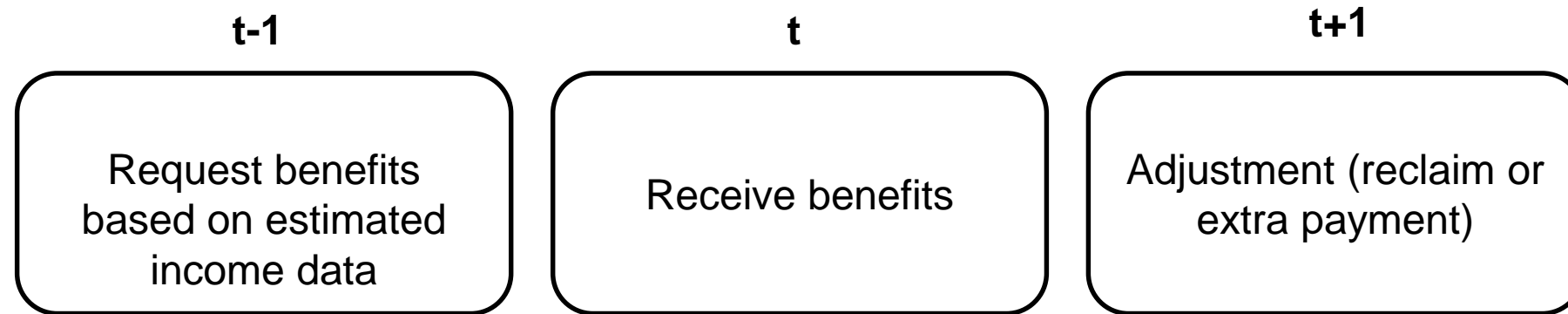


Simonse et al. (2023)

The individual level

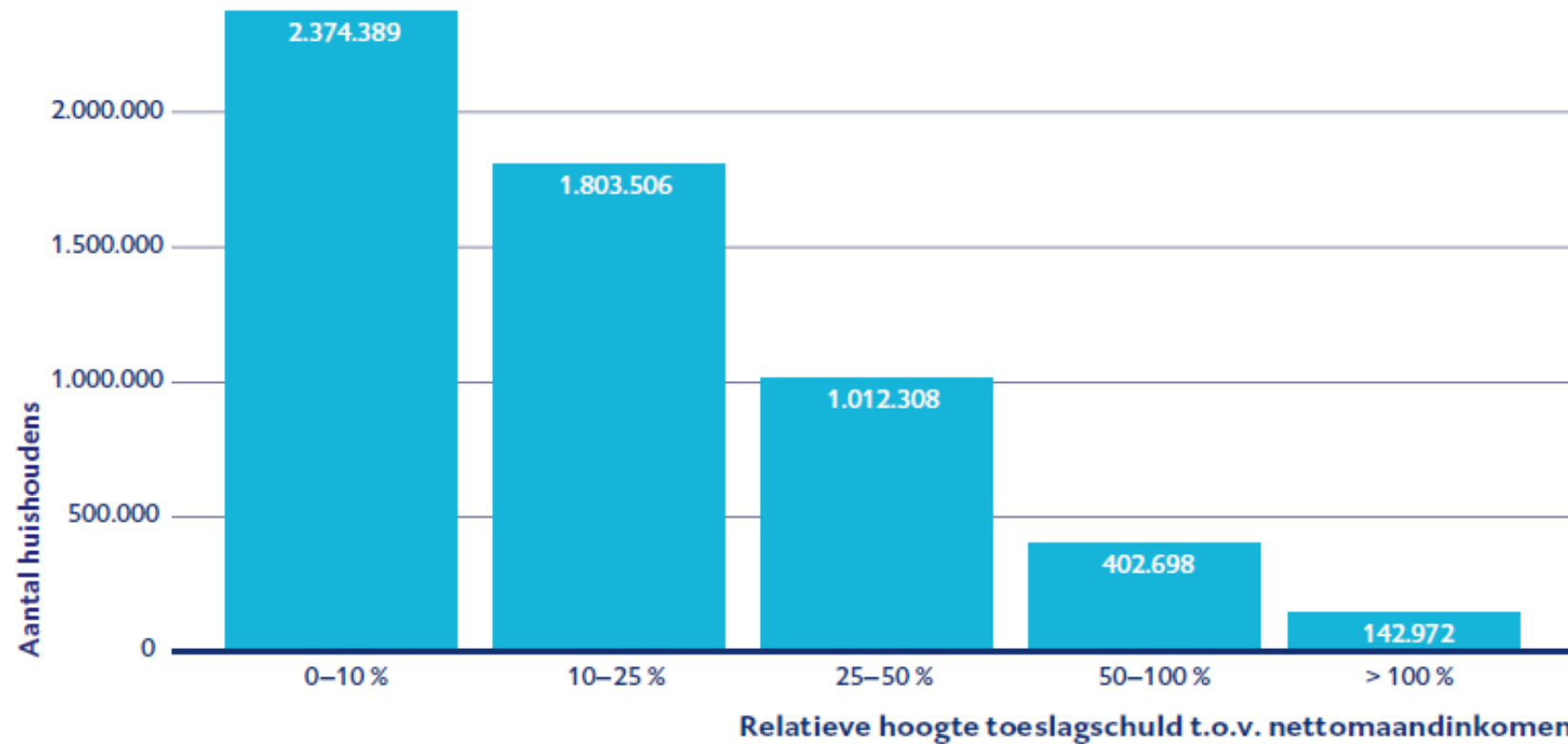


The Dutch Benefits (*Toeslagen*) system





Bij meer dan de helft van de huishoudens is de toeslagschuld groter dan 10% van het nettomaandinkomen



Algemene Rekenkamer (2019)

Qualitative study



Simonse et al. (2022).



Barrier #1: Prefer to live with less money than with fear of repayments

"Well if others benefit from welfare, then why not? But I wouldn't do that myself. Because, as I said, I don't want to be surprised every time at the end of the year."

"I don't want to use any more welfare, because I don't want debt."

"Well it's so complicated, then you have to pay back. And I say: I don't understand it anymore. It makes me sick of paying it back every time. So I stopped it."

"At the end of the year, I received a blue envelope. I suddenly had to pay back € 1,500. Then I think, 'How?'"



Experiment

- 1) Does a reclaim affect non-take-up of income support?
- 2) Is the effect of a reclaim stronger for indebted households?



Household simulation
-salary
-expenditure
-support



Letter:
Reclaim
Yes/No



Question:
Do you want to
continue to receive
support?



Household simulation
-salary
-expenditure
-support

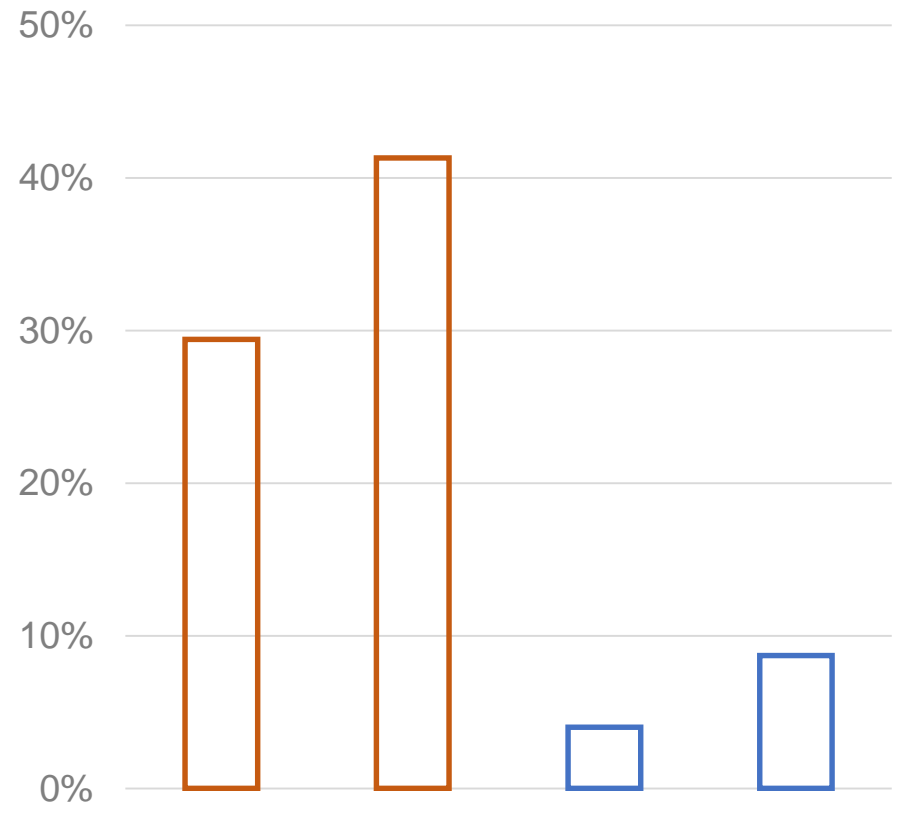


Experiment 1a ($N = 200$, participants from UK)

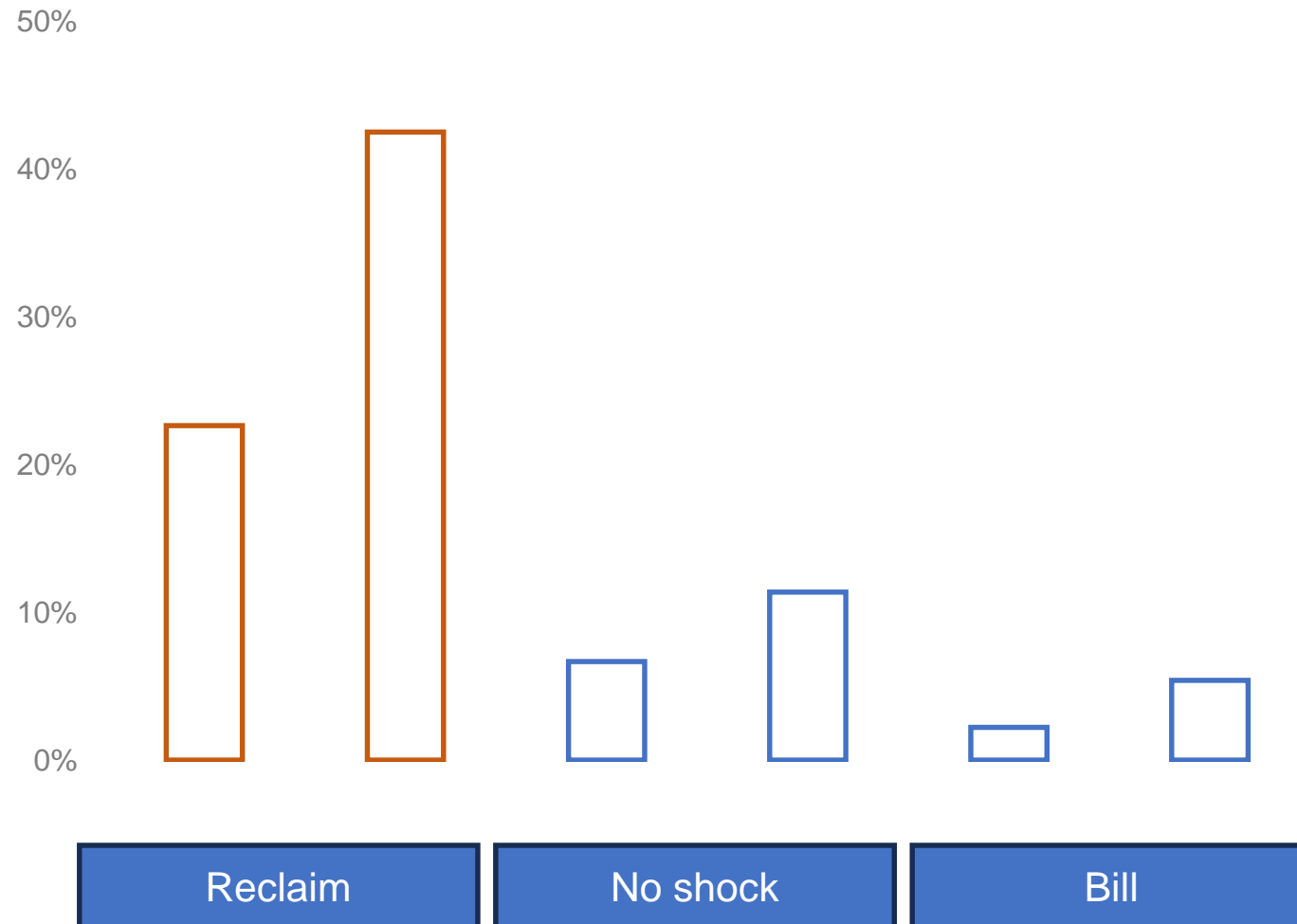
	Reclaim	No reclaim
No debt	1	2
Debt	3	4

Experiment 1b ($N = 300$, participants from UK)

	Reclaim	No shock	Bill
No debt	1	2	3
Debt	4	5	6



	Reclaim		No reclaim	
Debt	No	Yes	No	Yes





Proposed study

Hypothesis:

Reclaims of any benefits in year x

are associated with

non-take-up of healthcare benefits in year
 $x+1$



Setup, part 1: reclaims

INPATAB_t

Benefits received
(INPPH868ZTS
INPT7340HRS
INPT6325KGB)



Setup, part 1: reclaims

INPATAB_t

Version 1

Benefits received
(INPPH868ZTS
INPT7340HRS
INPT6325KGB)

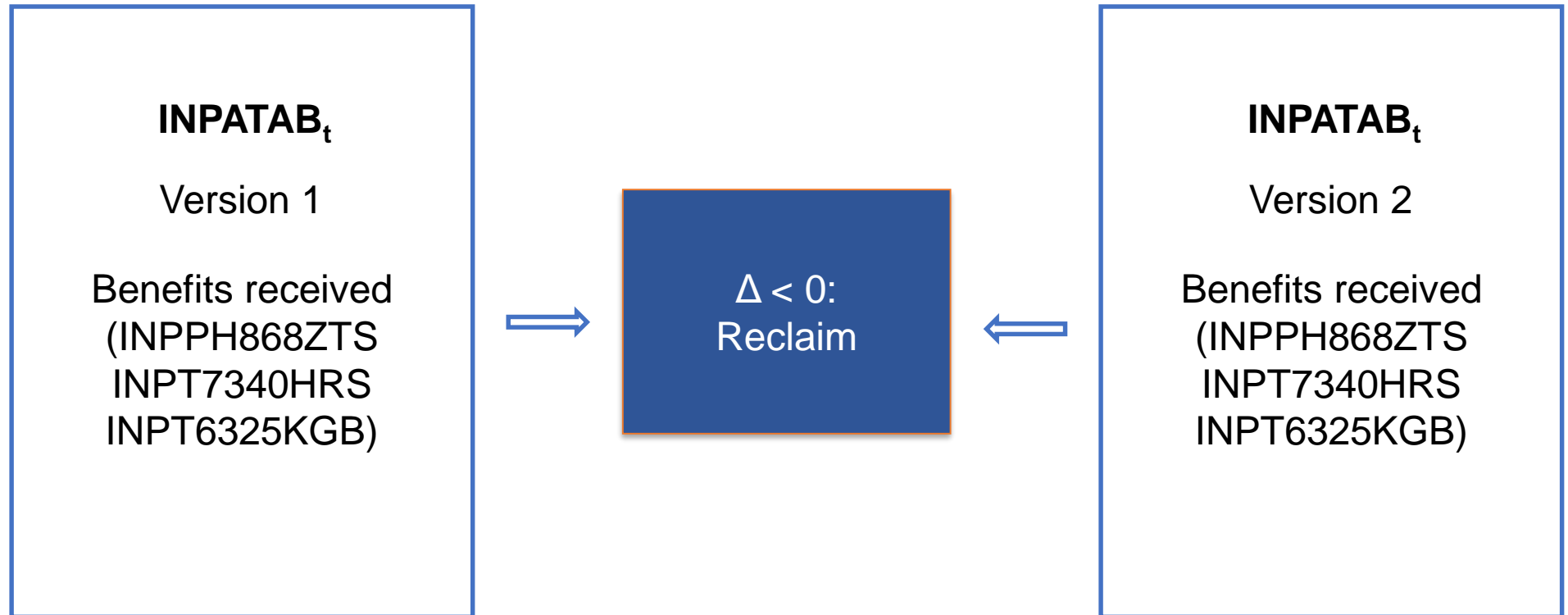
INPATAB_t

Version 2

Benefits received
(INPPH868ZTS
INPT7340HRS
INPT6325KGB)



Setup, part 1: reclaims





Setup, part 2a: eligibility

Main criteria:

- > 18 years old
- having a health insurance
- income and wealth below thresholds

Complexity 1: income and wealth are summed for benefits partners

- married / registered partnership
- ? • cohabitation agreement
- have a child together
- ? • both partners for each other's pension scheme.
- jointly own a house and both live there.
- one of the partners has a child < 18 [except Ukrainian refugees]
- ? • were already allowance partners of each other last year.



Setup, part 2a: eligibility

Main criteria:

- > 18 years old
- having a health insurance
- income and wealth below thresholds

Complexity 2: not everyone has a health insurance

- ? • conscientiously objectors
- in the military
- incarcerated
- defaulted on health insurance premium
- working or studying abroad
- ? • living abroad



Setup, part 2a: eligibility

Focus on:

- > 18 years old
- focus on households with one adult or married couples
- exclude “defaulters”
- exclude those in the military
- exclude those who work abroad



Eligibility

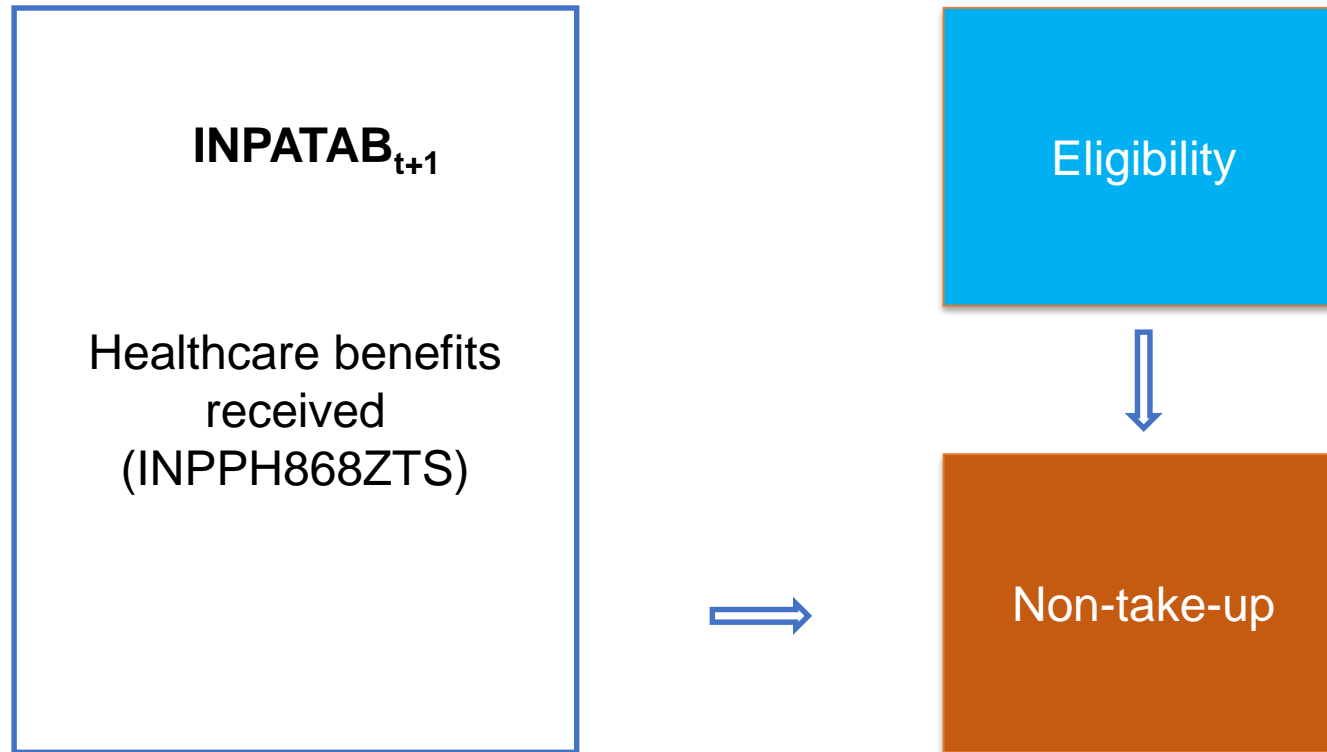
Setup, part 2b: healthcare benefit receipt



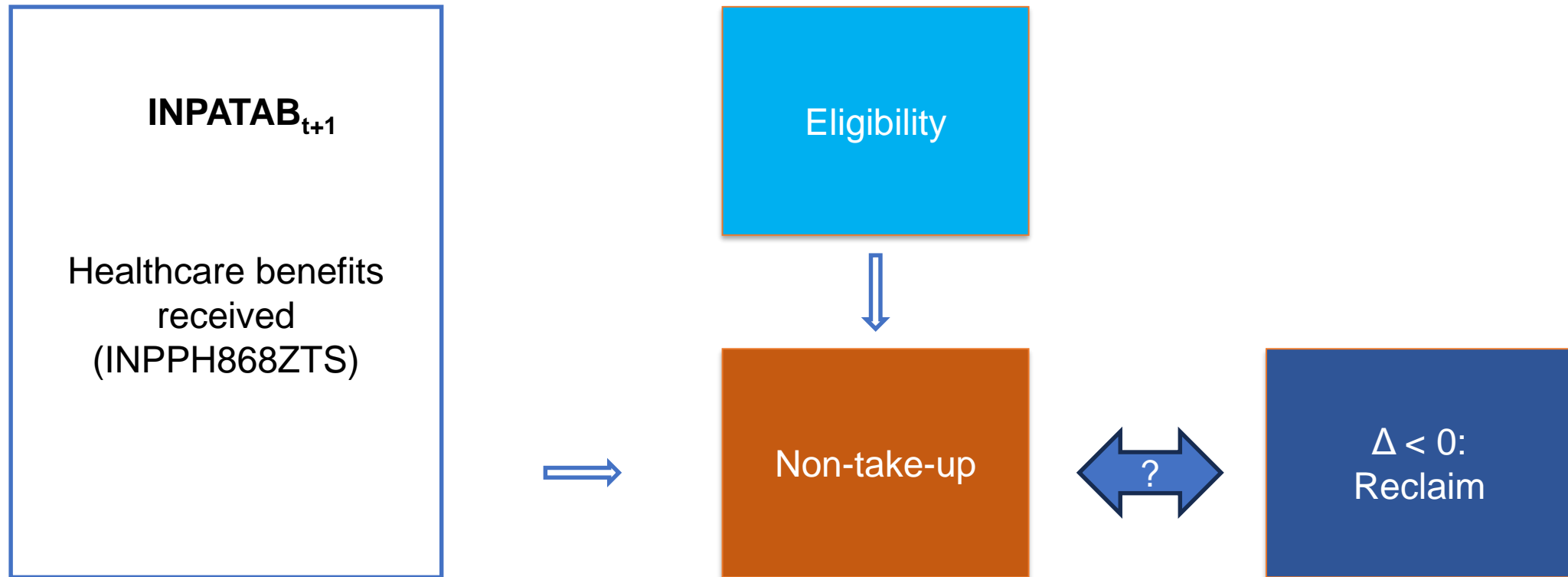
INPATAB_{t+1}

Healthcare benefits
received
(INPPH868ZTS)

Setup, part 2b: healthcare benefit receipt



Setup, part 2b: healthcare benefit receipt





Questions or suggestions?