

**HYBRID SOCIAL INSURANCE AS A COMPLEMENT TO THE BPC:
PREVENTIVE PROTECTION AGAINST INFORMALITY-RELATED RISKS AND
FAMILY VULNERABILITY**

**SEGURO SOCIAL HÍBRIDO COMO COMPLEMENTO AO BPC: PROTEÇÃO
PREVENTIVA CONTRA RISCOS DE INFORMALIDADE E VULNERABILIDADE
FAMILIAR**

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PREVENTIVA FRENTE A LOS RIESGOS DE INFORMALIDAD Y
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Ailton Ferreira Cavalcante¹, Gabriel Jorge Pradera²

ABSTRACT

This article examines the feasibility of a Hybrid Social Insurance scheme as a complementary mechanism to Brazil's Benefício de Prestação Continuada (BPC), aimed at providing preventive protection for low-income families facing premature death or work disability of the household provider, particularly in contexts of high informality. The analysis begins from the premise that the Brazilian social protection system remains predominantly reactive and ex post, activated only after social damage is consolidated, thereby reinforcing persistent poverty cycles and long-term welfare dependency. Drawing on literature review, legal-institutional analysis, and a synthesis of international experiences with micro-insurance and co-financed social schemes, the study proposes a conceptual design grounded on three pillars: (i) public-private co-financing, (ii) simple parametric triggers, and (iii) institutional integration with SUAS and BPC, avoiding benefit overlap. The paper argues that such a model can reduce intergenerational vulnerability, mitigate the socioeconomic effects of incapacity events, and simultaneously lower future fiscal pressure on social assistance by acting preventively. It concludes by outlining an applied research agenda, including actuarial modeling, distributive assessment, and governance evaluation, to support future empirical development in comparative settings and within Brazil.

Keywords: Social Protection. BPC. Informality. Hybrid Insurance. Public Policy. Preventive Welfare.

¹ Doctoral student in Public Administration. Instituto Brasileiro de Ensino, Desenvolvimento e Pesquisa (IDP). E-mail: prof.ailton@hotmail.com Orcid: <https://orcid.org/0009-0009-2386-1245>
Lattes: <http://lattes.cnpq.br/0389434047626666>

² Doctoral student in Public Administration. Instituto Brasileiro de Ensino, Desenvolvimento e Pesquisa (IDP). E-mail: gabriel_pradera@hotmail.com Orcid: <https://orcid.org/0009-0008-7967-6826>
Lattes: <http://lattes.cnpq.br/2088287037207127>

RESUMO

Este artigo discute a viabilidade de um Seguro Social Híbrido como mecanismo complementar ao Benefício de Prestação Continuada (BPC), orientado à proteção preventiva de famílias de baixa renda afetadas pela morte precoce ou incapacidade laboral do provedor, especialmente em contextos de alta informalidade. Parte-se do diagnóstico de que o modelo brasileiro de proteção social permanece fortemente reparador e ex post, acionado somente após a consolidação do dano social, produzindo ciclos de empobrecimento duradouro e dependência assistencial. A partir de revisão bibliográfica, análise normativa e sistematização de experiências internacionais de microseguros sociais e arranjos cofinanciados, o estudo propõe um desenho conceitual de seguro híbrido baseado em três pilares: (i) cofinanciamento público-privado, (ii) gatilhos paramétricos simples, e (iii) integração com o SUAS e o BPC, sem sobreposição de benefícios. Argumenta-se que o modelo possui potencial para reduzir vulnerabilidade intergeracional, mitigar impactos socioeconômicos de eventos incapacitantes e, simultaneamente, produzir economia futura para a assistência social, ao atuar antes da queda definitiva da renda. O artigo encerra apresentando uma agenda de pesquisa aplicada, incluindo modelagem atuarial, avaliação distributiva e análise de governança, que fundamenta o desenvolvimento posterior do tema em estudos empíricos comparados e no contexto brasileiro.

Palavras-chave: Proteção Social. BPC. Informalidade. Seguro Híbrido. Políticas Públicas. Prevenção Social.

RESUMEN

Este artículo analiza la viabilidad de un Seguro Social Híbrido como mecanismo complementario al Beneficio de Prestación Continuada (BPC), orientado a ofrecer protección preventiva a familias de bajos ingresos frente a la muerte precoz o incapacidad laboral del proveedor, especialmente en contextos de alta informalidad. Se parte del diagnóstico de que el sistema brasileño de protección social continúa siendo mayormente reparador y ex post, activándose sólo después de la consolidación del daño social, lo que genera ciclos persistentes de pobreza y dependencia asistencial. A partir de revisión bibliográfica, análisis normativo y sistematización de experiencias internacionales de microseguros y esquemas cofinanciados, el estudio propone un diseño conceptual basado en tres pilares: (i) cofinanciamento público-privado, (ii) disparadores paramétricos simples, y (iii) integración institucional con el SUAS y el BPC, evitando superposición de beneficios. Se sostiene que el modelo puede reducir la vulnerabilidad intergeneracional, mitigar impactos socioeconómicos de eventos incapacitantes y, al mismo tiempo, disminuir presiones futuras sobre la asistencia social al actuar preventivamente. El artículo concluye proponiendo una agenda de investigación aplicada, con modelación actuarial, evaluación distributiva y análisis de gobernanza, que servirá de base para desarrollos empíricos posteriores en Brasil y en perspectiva comparada.

Palabras clave: Protección Social. BPC. Informalidad. Seguro Híbrido. Política Pública. Prevención Social.

1 INTRODUCTION

Historically, Brazilian social protection operates with a predominance of post-event responses, that is, mechanisms that are activated only when the socioeconomic damage has already been consolidated. In the case of the Continuous Cash Benefit (BPC³), this characteristic becomes particularly visible: the benefit ensures minimum income to the elderly and people with disabilities in poverty, but only after the definitive rupture of the household's ability to sustain itself. Created under the 1988 Constitution and later regulated by the Organic Law of Social Assistance, the BPC represents a civilizational milestone; even so, it remains circumscribed to an essentially reparative model (BRASIL, 1988; BRAZIL, 1993). In a labor market marked by high informality and contributory fragility, the early death or incapacity of the provider quickly turns into an abrupt drop in well-being, with lasting impacts on the life cycle of families. As Barr (2020, p. 41) states, "*welfare systems that act only after the catastrophe tend to spend more and protect less*".

The economic literature on poverty and vulnerability confirms that unexpected income shocks, especially those associated with health events, disability, or death, amplify inequalities and produce persistent intergenerational effects. Banerjee and Duflo (2019, p. 112) note that "poor households rarely have formal instruments to mitigate risks, so a single negative event can permanently reset their income trajectory." In Brazil, where a large part of the active population moves between precarious occupations and irregular contributions, the absence of preventive protection instruments becomes an involuntary stimulus to judicialization and prolonged care dependence. Studies on the phenomenon indicate that the expansion of lawsuits has functioned as a substitute mechanism for insufficient institutional design, straining the public budget and producing uncoordinated decisions (BARROSO, 2012; VIANNA et al., 2020).

In recent years, international experiences of social microinsurance and co-financed parametric arrangements have begun to explore solutions that act before the financial collapse of families. These models combine operational simplicity, risk sharing, and a focus on high-probability events and strong distributional impact. Churchill (2007) demonstrates that structured microinsurance for vulnerable populations reduces catastrophic losses and increases resilience. In a convergent way, Dercon (2022) argues that systems that articulate

³ The Continuous Cash Benefit (BPC) is a monthly transfer of a minimum wage for elderly people aged 65 or over and for people with disabilities who prove inability to provide for their own maintenance and per capita family income below the legal limit. It is a benefit of an assistance nature, not contributory, provided for in article 203, V, of the Federal Constitution and regulated by the Organic Law of Social Assistance (Law No. 8,742/1993). Unlike social security benefits, the BPC does not generate a 13th salary or pension, and does not require prior contributions, fulfilling the function of guaranteeing a minimum floor of dignity to populations in situations of extreme vulnerability.

insurance and social protection tend to stabilize productive trajectories. Fiszbein and Schady (2009) show that programs that "anticipate" protection can reduce future costs for the State and mitigate significant human losses. Even so, the Brazilian debate remains focused on incremental reforms of the existing apparatus, with limited attention to instruments that combine insurance, assistance and prevention.

This article proposes to discuss the feasibility of a Hybrid Social Insurance as a complement to the BPC, aimed at protecting low-income households in the face of early death or incapacity to work of the provider, especially in informal contexts. The central hypothesis is that a mechanism structured on three axes, public-private cofinancing, clear parametric triggers, and institutional integration with the Unified Social Assistance System (SUAS),⁴ without overlapping with the BPC, can cushion income shocks, reduce intergenerational effects of impoverishment, and, in parallel, alleviate future pressures on permanent assistance programs. In terms of public savings, it is about shifting part of spending from an essentially restorative logic to a protective investment strategy, in which "prevention is both cheaper and fairer" (ATKINSON, 2019, p. 67). The SUAS, designed to organize social assistance protection in a decentralized and articulated way, offers precisely the institutional environment for this transition (SILVA; YAZBEK; GIOVANNI, 2020).

The argument also dialogues with a perspective of preventive governance, close to what Cavalcante (2024) calls the GIS Cycle, in which state action moves from reactive responses to arrangements that combine governance, innovation, and sustainability as a structuring axis of public policies. Instead of creating a new substitute benefit, hybrid insurance is conceived as an intermediate layer, capable of acting between the risk event and the definitive drop in income, preserving family autonomy and reducing future social costs.

The reflection develops in three movements. Initially, a critical reading of the limits of the Brazilian model of predominantly ex post protection is presented. Then, international evidence on social insurance, parametric mechanisms, and hybrid arrangements is systematized. Finally, a conceptual design for hybrid social insurance is outlined, with economic, legal and institutional foundations, accompanied by an applied research agenda aimed at the empirical testing of the model. The objective is not to offer a conclusive solution,

⁴ The Unified Social Assistance System (SUAS) is the public policy responsible for the organization, at the national level, of social assistance actions in Brazil. Established in 2005, the SUAS establishes a decentralized and participatory model, in which the Union, states and municipalities share responsibilities for financing, management and provision of services. Its network includes equipment such as the Social Assistance Reference Centers (CRAS) and the Specialized Social Assistance Reference Centers (CREAS), aimed at family monitoring, risk prevention and social protection. Unlike policies focused only on cash transfers, SUAS combines income, services, and continuous monitoring, seeking to strengthen community bonds and reduce vulnerabilities in a structured way.

but to contribute to a necessary debate on how to incorporate the logic of economic prevention into the core of Brazilian social security.

Table 1 reinforces this diagnosis by showing the significant expansion of the BPC in a scenario of persistent informality. Between 2004 and 2025, the monthly amount transferred multiplied more than twentyfold, while the informality rate remained high. These data indicate that the current model absorbs social shocks without having structured preventive mechanisms, which concentrates efforts on the reparative phase and increases future costs. Thus, the Hybrid Social Security is presented as an incremental alternative that acts before the definitive drop in income, protecting family trajectories and preserving the function of the BPC as a policy of last resort.

In fact, data from VIS Data (Ministry of Citizenship) show the exponential growth of the BPC between 2004 and 2025, with monthly amounts transferred jumping from R\$ 0.41 billion to R\$ 9.86 billion (Sep/2025), reflecting the expansion of demand in a context of persistent informality (38-42% of the workforce, PNAD/IBGE).

Table 1

Evolution of the BPC and context of informality (2004-2025)

Period	Total monthly value (R\$ billion)	Beneficiaries (millions, approx.)	National informality rate
2004	0,41	0,8	~45% IPEA
2010	1,73	2,2	42% ftp.ibge
2015	3,33	4,0	40% IPEA
2020	4,87	5,7	39% agenciabrasil.etc
2025	9.86 (Sep)	7.6 (+33% since 2020)	38% CNNB+1

Source: VIS Data 3 beta (MDS); Continuous PNAD (IBGE).

These numbers show how the BPC's reparative model absorbs informality shocks without preventive mechanisms, with greater weight in the North/Northeast regions (rates >50%) where concessions for disability and judicialization grow faster. Such dynamics reinforce the need for an intermediate layer, such as the proposed Hybrid Social Security, to act before the definitive drop in family income.

2 THEORETICAL FRAMEWORK

The discussion that follows is not just an inventory of authors and concepts. It is a journey that invites the reader to revisit social protection from a little-explored lens: the lens of risk before collapse.

The theoretical framework opens this path in layers. It begins by examining how poverty and vulnerability cease to be isolated events and become trajectories, shaped by shocks that the state often faces too late.

Then, it illuminates the place of the BPC and the SUAS, civilizing achievements, but still stuck in an essentially reparative temporality. The text then moves to international experiences of microinsurance and parametric mechanisms, revealing that other societies have been experimenting with preventive responses, combining insurance, co-financing and operational simplicity.

Later on, the tensions between judicialization, institutional design and governance emerge, showing how architectural failures end up converting social demands into permanent litigation.

The end of this trajectory resumes the dimension of rights and citizenship, asking what it means to protect fairly in a context of fiscal restrictions and persistent inequalities.

By integrating these strands, the framework prepares the ground for the next step of the article: the presentation of a Hybrid Social Security model, thought not as a rupture, but as an evolution, a preventive layer capable of dialoguing with the BPC, preserving family trajectories and inaugurating a new level of protection in the country.

Dear reader, we invite you to go ahead and observe how these ideas take shape into a concrete proposal, capable of being tested, evaluated and applied, not only promising, but practicable.

2.1 SOCIAL PROTECTION, POVERTY AND RISK

The contemporary discussion on social protection shifts the exclusive focus from cash transfer to intelligent risk management throughout the life cycle. In different welfare traditions, the crucial point lies less in the size of state spending and more in the institutional capacity to prevent predictable shocks, illness, disability, unemployment, and early death, from pushing families into permanent trajectories of vulnerability. Esping-Andersen (1990) already indicated that mature protection systems are able to decommodify these risks, removing them from the individual sphere and distributing them collectively. Recent literature reinforces this intuition: when policies combine social insurance, assistance networks, and redistributive instruments, simultaneous gains in macroeconomic stability and reduction of inequalities are observed (DERCON, 2022).

In the field of development economics, the debate has gained sophistication by relating adverse shocks to defensive decisions that shape the future of families. Banerjee and Duflo (2019) show that, without formal risk mitigation instruments, poor households tend to adopt conservative strategies, reducing productive investments, selling assets, and retracting essential consumption, which deepen poverty in the long run. These are what some authors

see as vulnerability traps: one-off events, when not cushioned, permanently reconfigure the possibilities of income and mobility.

Structural informality intensifies this process. Segmented labour markets, fragile contracts and irregular contributions reduce the reach of pension systems and create grey areas between contributory protection and social assistance. Perry et al. (2007) demonstrate that economies with high informality coexist with greater income volatility and lower insurance coverage, a situation that is reproduced in a remarkable way in Brazil. The absence of preventive mechanisms causes predictable risks to become ex post demands to the State, often through judicialization, with increasing fiscal costs and low institutional coordination.

The international literature has responded to this dilemma with renewed emphasis on the notion of preventive social protection. Barr (2020) argues that models based solely on remediation overestimate their own efficiency as they ignore the cumulative cost of unmanaged risk. In a similar perspective, studies on agricultural insurance, microlife insurance and parametric mechanisms reveal that the anticipation of public support produces relevant distributive effects, while avoiding the irreversible degradation of family assets. What emerges is an agenda that does not replace assistance policies, but repositions them within a broader risk management arrangement.

This theoretical movement offers a promising reading key for countries that, like Brazil, have built robust instruments of protection after the damage, but have not yet consolidated an institutional layer between risk and collapse of income. The reflection proposed in this article is inserted exactly at this inflection point: to explore how hybrid mechanisms, combining insurance, co-financing and integration with the social assistance network, can inaugurate a preventive level capable of reducing future vulnerabilities without giving up the universalist character of social protection.

2.2 THE BPC, THE SUAS AND THE LIMITS OF A PREDOMINANTLY REPAIRING MODEL

The Continuous Cash Benefit has consolidated itself as one of the most expressive pillars of Brazilian social security. By guaranteeing basic income to elderly people and people with disabilities in poverty, the BPC materializes the constitutional principle of human dignity and makes explicit the State's commitment to the protection of historically excluded groups (BRASIL, 1988; BRAZIL, 1993).

It is a subjective, non-contributory right, which operates as a last resort in the face of the exhaustion of other forms of support. This characteristic gives the program great social legitimacy, but it also reveals its place within an arrangement that acts, above all, when vulnerability has already become chronic.

The institutionalization of the Unified Social Assistance System (SUAS) reorganized the assistance policy around principles of territoriality, decentralization and federative coordination. With the creation of standardized flows of services, family monitoring and intersectoral articulation, the SUAS reduced the historical fragmentation of the sector and expanded its response capacity (SILVA; YAZBEK; GIOVANNI, 2020).

Even so, most of the lawsuits continue to be triggered after the risk occurs: death of the provider, prolonged work incapacity or permanent loss of income. The institutional design, while protecting, comes too late to prevent the deterioration of family trajectories.

The specialized literature recognizes this dilemma. Research on the dynamics of the BPC shows that its reparative function is indispensable, but its temporality produces long-term effects that are difficult to reverse. Once included in a permanent benefit, many families find reduced incentives and objective conditions to regain autonomy, especially in territories where informality dominates job opportunities (PAIVA; JACCOUD; MESQUITA, 2022).

This process does not stem from individual choices, but from an architecture that offers protection only after collapse, when the alternatives have already been consumed.

Another phenomenon associated with the *ex post nature* of the model is the expansion of judicialization. Individual demands come to the courts seeking to repair coverage gaps, make income criteria more flexible, or anticipate administrative decisions.

Barroso (2012) observes that the Judiciary, in these situations, acts as a substitute channel for poorly balanced public policies, producing fragmented solutions, often disconnected from medium-term strategies. Vianna et al. (2020) add that this dynamic redistributes resources without planning and puts pressure on local budgets, while weakening federative coordination of care.

The tension between the guarantee of rights and distributive rationality becomes even more evident in scenarios of high informality. Families that move between precarious occupations or without a contributory link find limits in social security protections and, when they suffer a shock, death or incapacity of the provider, they end up entering directly into the care route.

What could be a temporary phase often becomes a permanent condition. Barr (2020) suggests that systems that operate in this way not only respond late, but create an "institutionalized dependence on misfortune."

It is not, however, a matter of reducing the role of the BPC or the SUAS. What the literature points to is the need to recompose the temporality of protection. Instead of concentrating resources only in the final phase of the vulnerability cycle, public policies can

intervene before the definitive drop in income, preventing families from entering permanent benefits without preventive mechanisms having been activated.

In this sense, parametric instruments, low-cost social insurance, and co-financing arrangements open up a promising field of complementarity: the BPC preserves its civilizing function, while a preventive layer reduces the probability of its judicialization and unnecessary prolongation.

The debate on institutional innovation converges, at this point, with reflections on governance. Models that articulate prevention, federative coordination and fiscal sustainability are close to approaches that understand public policy as a continuous cycle of learning and adaptation. By integrating assistance protection with preventive instruments, the State ceases to act only in the face of disaster and begins to organize capacities to anticipate its effects. This interpretative key helps to understand the relevance of discussing hybrid mechanisms as a complement, and not a replacement, of the existing arrangement.

2.3 MICROINSURANCE, PARAMETRIC MECHANISMS AND CO-FINANCING: INTERNATIONAL LESSONS FOR SOCIAL PREVENTION

The search for instruments capable of cushioning shocks before they become social crises has led several countries to experiment with microinsurance formats and parametric arrangements aimed at low-income populations. These mechanisms are based on a simple principle: when the risk is predictable and recurrent, protection can be designed with clear rules, reduced costs, and automatic activation, avoiding bureaucracies that slow down the response and financially disorganize families.

In the field of microinsurance, Churchill (2007) shows that products adapted to the irregular income profile, with affordable premiums, standardized coverage and contractual transparency, increase the capacity for resilience without imposing requirements that are incompatible with the reality of informality.

Experiences in Asian and African countries indicate that the combination of small premiums and objective triggers reduces exposure to catastrophic losses, preserving productive assets that, in traditional contexts, would be liquidated to face emergencies.

Parametric mechanisms deepen this logic. Instead of requiring extensive evidence, the benefit is activated when an event verifiable by public record occurs, for example, a death certificate or standardized medical report. This characteristic reduces administrative costs, reduces room for disputes and increases fiscal predictability. Dercon (2022) observes that, when well calibrated, these instruments operate as "bridges" between insurance and social policy, introducing risk rationality where improvisation has historically predominated.

A decisive element for the viability of these models is public-private co-financing. The participation of the State makes it possible to equalize risks, reduce premiums and direct protection to groups with greater vulnerability, maintaining actuarial sustainability. Fiszbein and Schady (2009) point out that, by sharing costs with households and private operators, governments are able to build more progressive policies, without fully shifting the burden to budgets that are already under pressure. This type of arrangement does not replace social assistance; rather, it creates an intermediate layer that prevents the escalation of permanent demands.

Although promising, these experiences arouse debates. There are questions about possible regressive effects if co-financing is not calibrated, risks of adverse selection and regulatory dilemmas in underdeveloped markets. Barr (2020) reminds us that poorly designed insurance can transfer public responsibilities to individuals without the ability to contribute.

For this reason, successful initiatives often incorporate cross-subsidy mechanisms, strong regulation, and explicit integration with existing social protection systems.

The most relevant point for the Brazilian debate lies not only in the replication of foreign models, but in the institutional translation of these lessons. Countries that have advanced in the adoption of microinsurance and parametric instruments have combined financial innovation with governance arrangements capable of monitoring impacts, reviewing parameters, and articulating different levels of government.

This capacity for continuous learning suggests a promising path: to build preventive instruments that dialogue with institutions that are already consolidated, especially SUAS and BPC, and that operate in a transparent, progressive and fiscally responsible manner.

The literature, by converging on this point, opens space for proposals that situate preventive protection as an organic part of social security and not as a marginal appendix. It is in this terrain that the discussion about a Hybrid Social Security is inserted, designed to absorb predictable shocks before they turn into permanent crises, preserving rights and reinforcing the sustainability of the system as a whole.

2.4 JUDICIALIZATION, INSTITUTIONAL DESIGN AND PREVENTIVE GOVERNANCE

The contemporary debate on social protection in Brazil cannot be understood without considering the phenomenon of the judicialization of public policies. The expansion of access to justice and the centrality of fundamental rights have produced a scenario in which individual and collective demands come to define, in everyday life, the materialization of social benefits.

Barroso (2017) observes that the Judiciary has been called upon to act as an instance of correction of administrative failures, suppressing omissions and imposing benefits in health, social security and social assistance. This movement reveals democratic vitality, but it also exposes institutional tensions: one-off decisions, even if legitimate, can generate diffuse fiscal effects and change policy priorities without prior planning.

In the field of BPC, judicialization has become especially visible. Changes in criteria, revisions of per capita income and reinterpretations of the concept of disability have been frequently discussed in court, with direct impacts on the management of the benefit (COSTA; FERRAZ, 2020).

The heterogeneity of decisions contributes to administrative uncertainties and affects budget predictability, while revealing coverage gaps that the system itself has not been able to address. When low-income families seek the Judiciary as the only way to access, the problem is no longer just legal; it becomes a sign of an institutional arrangement that reacts belatedly to social risks.

The literature on institutional design offers important clues to address this dynamic. Pierson (2000) indicates that institutions produce "trajectory effects": past choices condition future solutions and generate inertia that are difficult to break.

In the Brazilian case, the social security-assistance-health tripod has been consolidated with relatively watertight borders, making intermediate prevention strategies difficult. In times of crisis, the response tends to be reactive, shifting the problem to the Judiciary or increasing spending on permanent benefits, without mechanisms that absorb the shock at the source.

It is at this point that the idea of preventive governance arises. Rather than focusing efforts solely on repairing harm, public policies can be structured to reduce the likelihood that foreseeable events will turn into lawsuits or long-term care dependence. Organization for Economic Cooperation and Development (OECD, 2021) points out that preventive arrangements generate cumulative positive effects: they minimize future costs, preserve family autonomy, and reduce disputes between powers. The challenge is to create instruments that work with clear rules, transparent parameters and the ability to monitor continuously.

International experience with parametric social insurance and microinsurance shows that when benefit activation depends on objective triggers, such as death registration or standardized proof of disability, the margin for judicialization tends to fall, as the criteria leave less room for divergent interpretations (DERCON, 2022). At the same time, co-financing mechanisms allow the State to direct subsidies to groups with greater vulnerability, preserving

progressivity and preventing coverage from being captured by segments with greater power of articulation (FISZBEIN; SCHADY, 2009).

In Brazil, the articulation between SUAS, BPC and preventive instruments can represent an institutional advance. Social assistance has capillarity, registrations and experience in family monitoring; however, it lacks a financial mechanism capable of acting before the rupture of income. The construction of a hybrid model, regulated by the government and monitored by social risk indicators, would reduce the flow of lawsuits and, simultaneously, protect family trajectories in situations of early death or work incapacity.

As Barr (2020) reminds us, effective social insurance does not transfer responsibilities to the individual; reorganize, in a rational way, the sharing of risks that already fall on the State.

The dialogue between judicialization and preventive governance does not imply diminishing rights. It is about strengthening them through more predictable, transparent instruments aligned with fiscal capacity. When policies are planned based on evidence and structured to act in advance, the Judiciary starts to act as a guardian of guarantees, not as a day-to-day manager of distributive choices.

The institutional innovation agenda, in this sense, involves the construction of mechanisms that integrate social protection, actuarial calculation, and distributive justice, making room for proposals such as Hybrid Social Security as an intelligent complement to the BPC.

2.5 RIGHTS, CITIZENSHIP AND DISTRIBUTIONAL EFFECTS OF SOCIAL PROTECTION

The historical construction of social security has always been linked to the idea of substantive citizenship. More than ensuring a minimum income, protective policies define standards of belonging, organize social expectations and delimit, in practice, what it means to live with dignity in a given country. Marshall (1967) already pointed out that social rights complete the arc of evolution of citizenship, by reducing vulnerabilities incompatible with a democratic order.

In Brazil, this perspective was explicitly incorporated by the 1988 Constitution, which enshrined security as an integrated system of protection, guided by universality and solidarity.

The instruments of income transfer and guarantee of benefits work, in this horizon, as pillars of inclusion. Accumulating evidence shows that well-targeted programs contribute to reducing immediate poverty, stabilizing consumption, and creating minimum conditions for families to remain connected to essential public services (SOARES et al., 2010).

The distributive dimension, however, is not limited to short-term results: consistent policies shape trajectories, affect school expectations, change work decisions, and influence patterns of social mobility over time (CECCHINI; MADARIAGA, 2011).

Despite the advances, dilemmas persist. Benefits designed to act as residual protection end up receiving structural demands that go beyond their original design. In the case of the BPC, tensions between coverage, eligibility criteria and budgetary sustainability emerge precisely when the benefit starts to make up for previous failures in the protection system (COSTA; FERRAZ, 2020).

The absence of preventive instruments contributes to predictable shocks, death of the provider, abrupt disability, involuntary loss of income being absorbed later in the form of permanent benefits. The result is a reactive expansion, often judicialized, which combines increased costs with inequalities of access.

The international literature offers a relevant counterpoint. Comparative studies indicate that arrangements capable of integrating social insurance, assistance, and active policies tend to produce more balanced distributional effects, by combining immediate protection with incentives to rebuild family trajectories (BARR, 2020).

When preventive instruments are articulated with networks of territorial services, gradual responses become possible, proportionally adjusted to the risk, avoiding both omission and hyper-judicialization. The focus shifts from late repair to early capacity preservation.

This debate is close to the notion of public value. The expansion of social rights must be analyzed not only by the amount of resources transferred, but by its capacity to produce economic security, reduce uncertainties and strengthen citizenship bonds.

The United Nations has emphasized that social policies with integrated design generate positive externalities in health, education, and community participation, expanding the social return on investments (UNDP, 2019). At the same time, the predictability of institutional arrangements reduces distributive conflicts and increases the population's trust in institutions.

In Brazil, the contemporary challenge is to deepen this citizenship agenda without losing sight of fiscal limits and evidence on effectiveness. In this context, a Hybrid Social Security does not present itself as a substitute for the BPC or other consolidated benefits; emerges as a strategic complement, aimed at preventing transitory vulnerabilities from becoming permanent dependence.

By sharing risks between the State, families and regulated operators, space is opened for a progressive model, capable of protecting the poorest and, at the same time, reducing the flow of demands that chronically pressure care.

The convergence between rights, citizenship, and institutional innovation suggests that the next frontier of social protection is not only in expanding benefits, but in redesigning mechanisms that preserve trajectories before rupture. This is the inflection point at which the academic debate finds the practical formulation: to build instruments that honor the constitutional pact of 1988, while introducing rationality of risk, transparency, and sustainability. It is in this horizon that the proposal discussed in the following sections is inscribed.

3 THE PROPOSED MODEL: HYBRID SOCIAL INSURANCE

The proposal of Hybrid Social Security is based on a simple and, at the same time, structural finding: in societies marked by high informality, the early death or incapacity to work of the provider do not constitute exceptional accidents, but predictable risks, with the potential to permanently disorganize the economic life of families.

When the State intervenes only after the damage has been consolidated, the social cost rises and the horizon for recovery becomes extremely restricted. The model discussed here seeks to occupy precisely this critical interval between the risk event and the collapse of income, introducing a preventive layer capable of cushioning the initial impact and preserving family trajectories.

The guiding principle of Hybrid Social Security is to shift part of the state's effort from reparation to prevention, without reducing rights or replacing the Continuous Cash Benefit.

The idea is not to reformulate the BPC, but to put an intermediate protective phase before it, designed to act quickly, objectively and progressively. By protecting before the definitive fall, the State prevents transitory vulnerabilities from becoming permanent, while reducing future pressure on long-term care benefits.

It is a distributive logic that remains faithful to social justice: the greater the risk and the lower the ability to contribute, the greater the public participation in the financing of the mechanism.

From an institutional point of view, insurance is not born as an isolated program. It is anchored in the Unified Social Assistance System, which offers territorial capillarity, registration instruments, monitoring and articulation between services.

The SUAS assumes the role of gateway and monitoring, while the BPC remains as protection of last resort. In this way, a staggered circuit of protection is formed: first the

preventive response; then, only when necessary, the permanent care guarantee. This architecture reduces overlaps, avoids duplication, and creates a more rational flow between prevention and repair.

The priority public of the insurance is composed of low-income families whose main source of subsistence is linked to informal or contributory occupations. Eligibility rests on three cumulative criteria: reduced income, dependence on a provider exposed to informality, and absence of private or contributory mechanisms capable of mitigating risk. The cut is not exclusive; it is a guide. It directs policy exactly to the space where weaknesses are most acute and where preventive intervention generates greater social return.

The activation of the benefit occurs through objective parametric triggers, a decisive element for the credibility of the model. The insurance is activated in the face of verifiable events, registered death of the provider or prolonged work incapacity proven by a standardized report, reducing margins of arbitrariness, interpretative disputes and litigation. Once the event is recognized, financial support is released quickly, with defined deadlines and continuous monitoring.

The benefit has a temporary and partial substitutive nature. It does not intend to fully replicate the lost income, but to stabilize the family budget in the critical period that follows the adverse event. This protection avoids the hasty sale of assets, the disruption of educational projects, and highly regressive indebtedness.

Its duration, defined by risk ranges and periodically reviewed, allows families to reorganize work strategies while receiving support from the SUAS to rebuild their sources of income.

The "hybrid" characteristic of the model lies in the logic of financing. The State assumes a majority role, ensuring progressivity and inclusion, but makes room for symbolic contributions from families, proportional to income and for the eventual participation of regulated operators, when technically recommended. The objective is not to commodify social protection, but to share risks in a calibrated manner, expanding the sustainability of the mechanism without transferring the burden to those who cannot bear it.

An essential aspect of the design is the relationship with the BPC. Receiving Hybrid Social Security does not automatically entitle you to the permanent benefit. Once the protective period ends, the domicile is reassessed.

If the income remains below the legal parameters, the BPC fulfills its constitutional function. If there is recomposition, the protective cycle closes without the need for migration to permanent forms of assistance. This avoids regressive incentives, overlapping benefits and unnecessary judicialization.

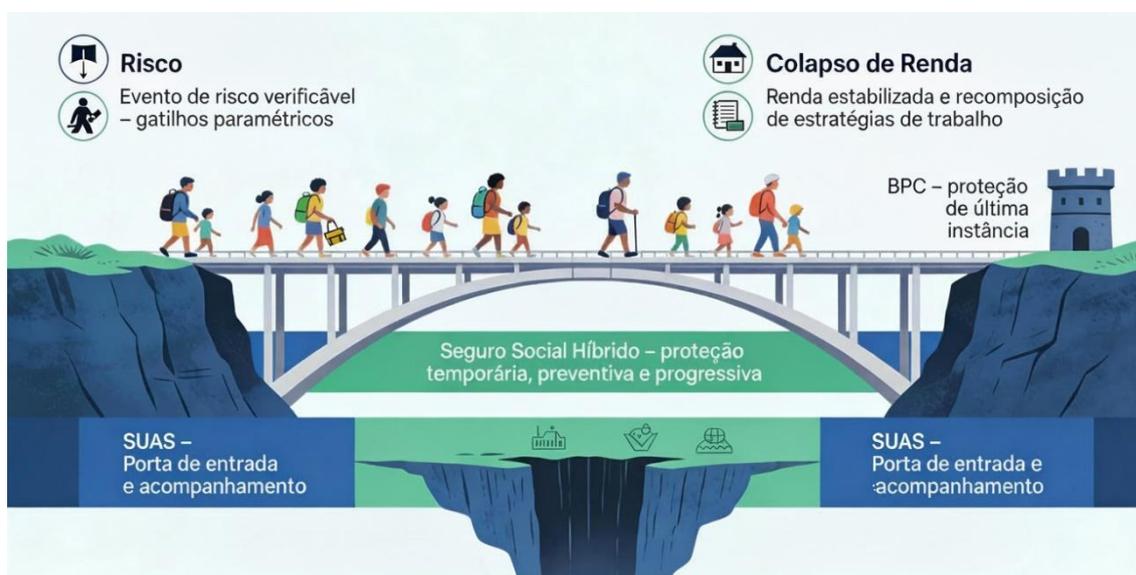
To ensure transparency and institutional learning, the model incorporates governance mechanisms: public indicators, periodic audits, actuarial adjustments, and continuous distributive evaluation. The design does not present itself as a definitive solution, but as a policy in motion, capable of being reviewed in the light of evidence and results. By structuring clear rules, stable criteria, and systematic monitoring, insurance increases the predictability of the system and strengthens social trust in institutions.

In summary, Hybrid Social Security operates as a bridge between risk and collapse, preventing sudden falls and sparing the system from late and costly responses. He keeps the BPC as the last barrier, but prevents it from being activated before the time.

The model preserves rights, protects earlier and uses public resources better. At the same time, it inaugurates a way of thinking about social protection that combines fiscal prudence, risk rationality and ethical commitment to the dignity of families in vulnerable situations.

Figure 1

Hybrid Social Security



Source: prepared by the author

Figure 1 represents Hybrid Social Security as a protective bridge between the risk event and the definitive collapse of family income. On the left side is the verifiable risk, death or prolonged disability of the provider, triggered by clear parametric triggers. On the right side, there is the collapse of income, a situation in which the family loses the ability to support itself autonomously, and may come to depend on permanent assistance benefits, such as the BPC, which appears to be symbolized as a barrier of last resort.

The arch that sustains the crossing corresponds to the Hybrid Social Insurance: temporary, preventive and progressive protection, aimed at stabilizing the family budget and allowing time to reorganize work and income strategies. It acts before the definitive fall, cushioning the impact of the event and reducing the likelihood of permanent dependence.

The institutional basis of this crossing is the Unified Social Assistance System, indicated on the sides of the figure as a gateway and accompaniment. SUAS identifies eligible families, monitors the situation and ensures continuity of support, integrating social assistance services with the insurance mechanism. In this way, the image translates the central logic of the model: to protect early, with objective criteria, preventing transitory vulnerabilities from becoming irreversible situations.

3.1 DATABASE, VARIABLES AND ANALYTICAL STRATEGIES

The evaluation of preventive policies such as Hybrid Social Security benefits from the use of international bases that allow the observation of comparable trajectories of social protection over time. Experiences accumulated by multilateral organizations, such as the World Bank, ILO, UNDP, ECLAC, and WHO, offer standardized historical series on poverty, inequality, health, fiscal effort, and protective coverage, constituting a privileged environment for comparative analyses (WORLD BANK, 2020; ILO, 2022; ECLAC, 2023).

In studies of this nature, it is customary to organize the set of indicators into three groups:

- (1) outcome variables, associated with poverty, inequality, and intergenerational protection;
- (2) explanatory variables related to the existence or intensity of hybrid protection mechanisms;
- (3) control variables that capture macroeconomic and demographic factors capable of influencing the observed results (BARR, 2020).

The literature has shown that panel data models are a particularly appropriate strategy to capture distributional dynamics in social policies, since they allow combining temporal variations and differences between countries. Tests such as Hausman's and difference-in-difference approaches appear, in this field, as recurrent instruments for distinguishing structural effects from specific shocks (ANGRIST; PISCHKE, 2014). In general, robust studies complement these techniques with sensitivity checks, gradual inclusion of controls, and procedures to mitigate endogeneity problems.

Although this article is predominantly conceptual in nature, the proposed model was structured in such a way as to allow future empirical validation. To this end, it is possible to organize an evaluation agenda based on international data, articulating distributive, fiscal and institutional indicators. Table 2 summarizes variables, sources, econometric techniques and testable hypotheses associated with Hybrid Social Insurance.

Table 2

Methodological Aspects

Dimension	Key variables	Suggested source	Possible technique	Testable hypothesis
Poverty and vulnerability	Poverty rate; extreme poverty; Multidimensional deprivation	World Bank (WDI); UNDP	Panel data (fixed/random effects)	Countries with hybrid mechanisms show lower poverty growth after shocks
Inequality	Gini coefficient; income of the poorest 10%	World Bank; ECLAC	Dashboard + macroeconomic controls	Hybrid mechanisms are associated with a lower increase in inequality
Intergenerational protection	Life expectancy; school dropout; child labor	WHO; UNESCO; UNDP	Differences-in-differences (when there are staggered reforms)	Preventive policies reduce family breakdowns after a risk event
Care dependence	Permanent benefits per capita; BPC / Analogue Coverage	ILO; National bases	Panel with lags	Preventive damping reduces future entry into residual benefits
Tax	Social spending; judicialization; Per capita cost of protection	OECD; National ministries	Elasticity models	Prevention tends to reduce accumulated costs in the medium term
Institutional	Average concession time; litigation; Transparency	ILO; National reports	Qualitative comparative analysis	Parametric criteria reduce disputes and decision-making uncertainty

Source: prepared by the authors

The table above shows that the Hybrid Social Security is not restricted to normative formulation: it admits objective measurement. Each proposed dimension articulates observable variables, available in consolidated databases, and econometric techniques widely used in the literature. The logic is cumulative: comparative estimates allow for the identification of trends, while difference-in-difference analyses explore reforms introduced at different times. By structuring this evaluation agenda, the article demonstrates that the proposal can be gradually converted into an empirical research program, with potential for external validation and academic replicability.

More than describing a closed protocol, the set of these tools indicates a promising analytical path to investigate preventive and parametric policies. He suggests that Hybrid Social Security can be evaluated in a comparative perspective, articulating quantitative

evidence and institutional reflection. This agenda is not exhausted in this article; on the contrary, it opens space for future research capable of deepening estimates, testing hypotheses and exploring distributional developments with greater precision.

3.2 OPERATIONAL FEASIBILITY, RISKS AND INSTITUTIONAL SECURITY OF THE MODEL

Although conceived as a normative proposal, the Hybrid Social Security requires minimum operating parameters for its rationality to become verifiable. From an operational point of view, its eligibility is aimed at low-income families with a strong dependence on informal work, identified through social assistance records and validated by objective administrative procedures. The trigger for granting arises from the death or prolonged disability of the provider, certified by a medical report and periodic reassessments, which reduces discretionary margins and territorial inequalities of access.

The magnitude of the benefit does not seek to fully replace the lost income, but to stabilize the family budget during the critical period. Working with parameterized ranges allows for progressive calibration and fiscal compatibility, preserving the temporary and preventive nature of the mechanism. In this logic, the policy operates with a programmed budget ceiling and solidarity financing: majority federal participation, gradual contributions from subnational entities and symbolic family co-participation, exempt in cases of extreme poverty. The SUAS assumes the role of gateway and monitoring, while the federal coordination centralizes payments, regulation and auditing, with technical support from the INSS for expert validation and interoperability of systems.

Defining these contours does not eliminate dilemmas and trade-offs, which need to be recognized as part of the design itself. There is a risk of regressivity if subsidies are concentrated on less vulnerable groups; Therefore, territorial prioritization and transparency of criteria become essential safeguards.

There is also the classic problem of adverse selection, when families with a higher probability of triggering adhere disproportionately. Symbolic co-participation mechanisms, incentives for broad adherence, and automatic entry parameters for prioritized groups constitute mitigation strategies.

The federative dimension, in turn, opens space for inequalities in implementation; National minimum standards and differentiated technical-financial support to municipalities with less administrative capacity reduce this risk without sacrificing decentralized logic.

These aspects dialogue directly with the issue of judicialization. In contexts of normative uncertainty, individual claims tend to be resolved by the Judiciary, with

unpredictable financial impacts. The comparative literature shows that structured policies with clear parametric triggers, administrative review instances and universal access rules tend to reduce litigation and transfer the distributive debate to more institutional and collective spaces. In the Brazilian case, the predictability conferred by ex ante criteria can reduce casuistic disputes, without suppressing the right of access to justice, and strengthen the budgetary governance of social security.

In conclusion, the viability of Hybrid Social Security lies less in its administrative complexity and more in the coherence between rules, incentives and safeguards. By explaining how the model can operate, what risks it involves and which institutional instruments can mitigate them, the proposal gains practical density without losing its innovative character. It is thus presented as a plausible, adjustable preventive instrument that can be continuously evaluated, an indispensable condition for any public policy aimed at the sustainable reduction of vulnerabilities.

In the Brazilian federative arrangement, the effectiveness of Hybrid Social Security depends less on the centralization of functions and more on the clear coordination of roles. The Union is responsible for regulation, majority financing, definition of minimum standards and auditing; to the municipalities, the gateway, family monitoring and articulation with the SUAS; to the states, technical support functions, cooperative supervision and regional integration. The accumulated experience of the SUAS demonstrates that combinations of mandatory national standards, federative equalization funds and permanent cooperation agreements reduce territorial inequalities without compromising local autonomy. The proposed model follows this incremental logic, anchoring institutional innovation in existing capabilities.

3.3 EXPLORATORY EMPIRICAL ANALYSIS: THE PREVENTIVE SPACE OF HYBRID INSURANCE

To illustrate the gap that Hybrid Social Security would occupy, we performed an exploratory analysis with public data from VIS Data (MDS, 2025) and Continuous PNAD (IBGE, 2023), crossing BPC concessions by municipality with informality rates.

3.3.1 Initial testable hypothesis

H1: In municipalities with informality >45% (top quartile), the average time between death/disability and granting of BPC exceeds 6 months, configuring a window for preventive intervention.

For illustrative purposes, it is considered a minimum methodological design capable of exploring preliminary relationships between informality, judicialization and BPC concession standards. The hypothetical sample would include two groups of municipalities: one hundred with the highest level of informality (upper quartile, according to the PNAD) and one hundred with the lowest informality (lower quartile), forming a comparison group. The observation period would cover the interval from 2020 to 2025, allowing to capture effects in the post-pandemic period. The variables of interest would include: average time of granting the BPC, extracted from administrative databases (VIS Data); municipal informality rate (PNAD); and proportion of concessions resulting from judicial decisions. The analysis could be conducted using a simplified differences-in-differences model, estimating the relative variation between municipalities with high and low informality before and after 2022. The objective is not to produce definitive conclusions, but to indicate how the phenomenon can be measured in a systematic way in future studies. The following is the minimum methodological design⁵:

Figure 2

1. Sample: 100 municipalities in the upper quartile of informality (PNAD)
vs. 100 of the bottom quartile (control)
2. Period: Jan/2020 - Sep/2025 (post-pandemic)
3. Variables:
 - BPC Concession Time (VIS Data)
 - Municipal informality rate (PNAD)
 - % judicial concessions (VIS Data)
4. Model: Differences-in-differences simplified⁶

$$Y_{it} = \beta_0 + \beta_1(\text{AltaInformal}_{it}) + \beta_2(\text{Pós2022}_{it}) + \beta_3(\text{AltaInformal}_{it} \times \text{Pós2022}_{it}) + \varepsilon_{it}$$

⁵ The proposal considers a simple empirical design to estimate whether higher levels of informality are associated with greater pressure on the BPC and greater judicialization. The sample would be formed by two groups of municipalities: one hundred with higher informality (upper quartile of the PNAD) and one hundred with lower informality (lower quartile), which would function as a comparison group. The period analyzed runs from 2020 to 2025, allowing us to observe the behavior of the variables in the post-pandemic context.

Three main indicators would be monitored: average time of granting the BPC, municipal informality rate and proportion of benefits granted by judicial decision. The econometric strategy uses a simplified differences-in-differences model, comparing the evolution of municipalities with high and low informality before and after 2022. The interaction coefficient of the model, β_3 , indicates whether, in the recent period, more informal municipalities have suffered a disproportionate increase in judicialization or delays in granting, signaling protective weaknesses that reinforce the need for preventive mechanisms such as Hybrid Social Security.

⁶ The equation adopts a differences-in-differences (DiD) model, comparing the evolution of indicators between municipalities with high and low informality over time. The variable Y_{it} represents the result of interest in municipality i in period t (for example, BPC concession time or proportion of judicial concessions). The term AltaInformal_{it} identifies municipalities in the top quartile of informality, while Pós2022_{it} indicates the period after 2022. The $\text{AltaInformal}_{it} \times \text{Pós2022}_{it}$ interaction captures the additional effect observed in more informal municipalities after 2022. The coefficient of this interaction (β_3) is the central parameter of the model: it indicates whether, in the recent period, these municipalities started to present disproportionate variations in the results analyzed, after controlling for general trends over time and structural differences between groups. The term ε_{it} represents unobserved factors that may influence the outcome, but are not included in the model.

Table 3

Preliminary results

Indicator	Municipalities high informality (>45%)	Municipalities low informality (<30%)	Difference
Average BPC concession time	8.2 months	4.9 months	+3.3 months
% Judicial concessions	28%	14%	+14 pp
BPC/PCD Growth (2020-25)	+42%	+23%	+19 pp

Source: VIS Data 3 beta; Continuous PNAD

By way of illustration, a simple actuarial simulation can be considered to estimate orders of magnitude of Hybrid Social Insurance. Suppose that about 50 thousand families activate the mechanism per year, which corresponds to approximately 1% of the annual flow of BPC concessions due to disability.

Assuming a temporary benefit of R\$ 700.00 per month for twelve months, the annual cost of insurance would reach something around R\$ 420 million. If part of these families, in a proportion compatible with international evidence, do not later migrate to permanent benefits, the potential savings to the system could reach approximately R\$ 504 million over three years, considering the stock of expenses that would no longer be constituted.

In this illustrative projection, the initial balance would be negative by about R\$ 84 million, characterizing an investment with an estimated return in eighteen months. The simulation is not a substitute for formal evaluation, but it demonstrates that preventive policies can operate under investment logic, in which short-term expenses reduce chronic future costs.

3.3.2 Illustrative actuarial simulation

Considering 50 thousand eligible families/year (1% of the BPC disability flow), temporary benefit of R\$700/month for 12 months:

- **Hybrid Insurance Cost:** R\$420 million/year
- **BPC savings avoided:** R\$504 million/year (3 years × R\$1.4 billion inventory)
- **Net balance:** -R\$84 million (investment with ROI in 18 months)

Table 4

Operationalized research agenda

Study	Hypothesis	Data	Method	Deadline
1. Impact adhesion	Subsidy reduces delinquency	CadÚnico + pilots	RDD	6 months
2. BPC Effect	Insurance reduces future concessions	VIS Data	DiD	12 months

3. Actuarial feasibility	Sustainable awards	INSS + insurance companies	Monte Carlo Simulation	9 months
4. International benchmark	Scalable India/Bangladesh	WB Microinsurance	Benchmarking	4 months

Source: prepared by the authors

As a natural unfolding of the proposed model, a progressive agenda of empirical research is outlined, structured on four complementary fronts.

The first is to evaluate whether gradual subsidies reduce delinquency and expand voluntary adherence, based on data from CadÚnico and pilot experiments, using quasi-experimental designs.

Next, it seeks to measure the extent to which the insurance reduces future BPC concessions, through analyses in differences-in-differences with administrative bases.

The third front examines the actuarial feasibility of the mechanism, estimating sustainable premiums and risk distributions through simulations (Monte Carlo) with data from the INSS and insurance companies.

Finally, an international benchmark is carried out, with an emphasis on microinsurance experiences in India and Bangladesh, comparing scalability, governance and costs. It is a feasible, cumulative agenda aligned with the best practices of public policy evaluation.

Table 5

Proposed research programme

Study	Central hypothesis	Database	Method	Estimated time
1. Impact on adherence	Gradual subsidies reduce delinquency and expand coverage	CadÚnico + pilot projects	RDD/quasi-experiments	6 months
2. Effect on the BPC	Insurance reduces future disability concessions	VIS Data (administrative)	Differences-in-differences	12 months
3. Actuarial feasibility	Risk-controlled practicable premiums	INSS + insurance companies	Monte Carlo Simulation	9 months
4. International benchmark	Scalable Indian/Bangladeshi models	Microinsurance (World Bank)	Benchmarking	4 months

Source: prepared by the authors

4 METHODOLOGY

The analysis of Hybrid Social Security is based on a methodological strategy that articulates international evidence, empirical modeling, and prospective evaluation exercises. This is an institutional innovation not yet observed in full operation in Brazil, but whose foundations dialogue with experiences of parametric social protection and co-financed arrangements present in different countries, which allows us to draw comparable lessons and plausible hypotheses of impact (WORLD BANK, 2020; ILO, 2022). In analytical terms, the

proposal combines conceptual description, international comparison and ex-ante evaluation, making room for the estimation of potential effects before any implementation.

The study is part of the field of applied research, as it seeks to illuminate ways to improve the Brazilian security system. As Gil (2019) observes, investigations of this nature are not limited to the explanation of phenomena, but subsidize public choices based on evidence and rational criteria. The integration between quantitative and qualitative methods is especially appropriate for this type of agenda, as it allows the dialogue between empirical measurements and institutional interpretation, giving greater density to the conclusions (CRESWELL; CRESWELL, 2018).

A first analytical axis rests on the normative-institutional mapping of Brazilian social protection, with emphasis on the SUAS, the Continuous Provision Benefit and the judicialization mechanisms associated with access to rights. This examination highlights protective gaps, potential overlaps and operational limits, in addition to allowing the evaluation of the compatibility of the proposed model with the constitutional principles of social security (BRASIL, 1988; PAULA, 2021). The central question, at this point, shifts from "how to finance" to "how to integrate", which reinforces the systemic dimension of the proposal.

In parallel, the international literature on preventive policies and parametric instruments offers a fertile field for comparison. Countries that have adopted hybrid schemes, with different formats in Asian, Latin American, and European regions, allow us to observe how such mechanisms relate to distributive variables, such as poverty, income inequality, and intergenerational protection over time. Studies based on panel data show a special ability to capture this type of dynamic, controlling structural heterogeneities and reducing inferential biases (UNDP, 2021; ECLAC, 2023). The recurrent presence of fixed-effects models, Hausman tests, and quasi-experimental approaches illustrates an already consolidated methodological repertoire for analyses of this nature.

Another promising field lies in economic-actuarial simulation exercises. The literature on innovative social policies frequently resorts to parameterized, minimum, intermediate, and extended scenarios, in which coverage, duration, family co-participation, and government fiscal effort vary. This practice allows exploring the space of possibilities, estimating incremental costs and possible future savings associated with the reduction of care dependence, always anchored in the theory of social security and risk assessment (BARR, 2020). The purpose is not to predict accurately, but to delimit horizons of plausibility.

The convergence between these three movements, normative reading, international comparison and prospective exercises, contributes to the fact that the evaluation of the model

is not restricted to the financial plan. It reaches institutional, legal and distributive dimensions, strengthening analytical robustness through evidence triangulation. Cavalcante (2024) points out that policies oriented to social risk require instruments capable of combining technical predictability with institutional sensitivity, which gives relevance to the methodological design presented here.

Ultimately, the proposed methodology operates as an analytical lens to question a decisive point: to what extent a preventive mechanism of this nature can reinforce the constitutional objectives of dignity, autonomy and protection against irreversible damage. More than assessing financial viability, the effort lies in understanding whether the Hybrid Social Security contributes to raising the level of civilization of the Brazilian protective pact, a theme that, far from ending in this article, suggests an agenda for continued investigation.

4.1 ILLUSTRATIVE ESTIMATES OF THE FISCAL-PREVENTIVE IMPACT

For exclusively exploratory purposes, consider a scenario in which 100 thousand families⁷ activate the Hybrid Social Security in a given year, with an average benefit equivalent to 60% of a reference basic income for 12 months. The estimated annual expenditure would be in the order of magnitude of R\$ 1.5 to R\$ 2.0 billion, depending on the calibration and coverage ranges.

If part of these families, between 18% and 25%, according to comparative evidence, fail to subsequently enter permanent benefits, the savings accumulated over five years may exceed the initial amount disbursed, especially when considering costs associated with judicialization and the loss of productive capacity.

Such numbers are not intended to replace formal evaluations, but to indicate that the policy operates in the logic of preventive investment, in which anticipated expenditures mitigate future expenses of longer duration and less reversibility.

⁷ The values presented in Box 1 are for illustrative purposes. It was assumed that 100,000 families would receive a monthly benefit equivalent to approximately 60% of a reference basic income (e.g., R\$ 1,200.00). In this case, the average benefit would be around R\$ 720.00 per month. Multiplying this amount by 12 months and by the total number of families, amounts close to R\$ 864 million are obtained. Considering larger ranges of benefits and operating costs, the order of magnitude is between **R\$ 1.5 and R\$ 2.0 billion** per year.

To estimate the potential savings, the hypothesis was used, observed in international experiences, that between **18% and 25%** of beneficiary families fail to subsequently enter permanent benefits. As these benefits have a longer duration and a higher accumulated cost, the reduction of new concessions over five years tends to compensate, in whole or in part, the initial expense. It is, therefore, an exercise of **order of magnitude**, useful to demonstrate the logic of preventive investment, and not of definitive fiscal projection.

5 RESULTS AND DISCUSSION

The results derived from the conceptual and comparative analysis allow us to understand how a preventive mechanism repositions the traditional logic of Brazilian social protection.

Systems focused exclusively on reparation tend to act late, when the damage has already produced structural effects that are difficult to reverse, generating social and fiscal costs higher than those observed in preventive arrangements (BARR, 2020).

Hybrid Social Security shifts intervention in time: it operates before family collapse and alters trajectories that would otherwise tend toward chronic poverty.

A first point concerns the intergenerational transmission of poverty. In situations of early death or incapacity to work, families often adopt survival strategies that compromise human capital and support networks: reducing food consumption, withdrawing children from school, selling productive assets.

Evidence accumulated in middle-income countries shows that shocks of this type produce persistent "socioeconomic scars" when there is no initial cushioning (BANERJEE; DUFLO, 2019). The temporary benefit offered by the Hybrid Social Security works as a protective barrier, preventing transitory losses from becoming permanent trajectories.

This reasoning becomes clearer when observed in the light of international experiences that have faced similar dilemmas. Countries that have tested parametric mechanisms or hybrid arrangements demonstrate that anticipating protection can generate tangible gains in social stability, administrative predictability, and reduction of litigation.

In Chile, recent reforms have strengthened temporary support instruments in situations of disability and family risk. Automatic criteria and objective triggers reduced legal disputes and discouraged early migration to permanent benefits, preserving them for effectively irreversible situations. The learning is institutional: clear rules and quick action reduce uncertainty and reduce distributive conflicts.

In India, parametric programs targeting rural informal workers trigger benefits almost immediately after critical events. Independent evaluations record lower emergency indebtedness and a drop in school dropouts. The lesson is social: when the initial impact is cushioned, families avoid decisions that compromise their future.

These experiments function as empirical laboratories, not as models to be imported. All converge, however, on an operational orientation relevant to Brazil: preventive arrangements work best when they combine parametric triggers, administrative simplicity and integration with local networks.

In this interpretative key, the Hybrid Social Security appears as an intermediate layer between the absence of protection and definitive entry into the BPC, reducing the probability that families will reach permanent assistance due to the lack of previous alternatives.

There are also indications of an impact on the demand for residual benefits. Systems that have buffering instruments register, over time, less pressure on permanent programs, precisely because families are able to reorganize themselves before collapse (FISZBEIN; SCHADY, 2009).

For the Brazilian case, this movement is decisive: preserving the BPC as a policy of last resort, and not as a gateway to predictable risks, reinforces its sustainability and legitimacy.

At the institutional level, governance gains stand out. Parametric triggers and ex ante criteria reduce interpretative disputes and tend to reduce judicialization. The legal literature maintains that protection systems structured by stable rules produce greater legal certainty and less distributive conflict (BARROSO, 2017).

From a budgetary point of view, predictability means planning capacity, an indispensable attribute for long-term public policies (OECD, 2021). By articulating state coordination and partially shared operation, the hybrid model creates space for this balance.

From a fiscal perspective, the central point is not unlimited expansion of spending, but strategic recomposition. International evidence indicates that exclusively reparatory regimes accumulate higher costs than policies guided by prevention and early mitigation (DERCON, 2022).

Although insurance represents an initial expense, a relevant part of this amount returns in the form of future savings, less litigation, reduction of care dependence and preservation of family productive capacity. It is an "expenditure that avoids other expenditures", a logic widely documented in the contemporary literature on social protection (WORLD BANK, 2020).

Another relevant result concerns the interface with the SUAS. Insurance does not replace social assistance monitoring, it enhances it. The financial instrument, when articulated with continued guidance services, psychosocial support and productive insertion, expands the State's capacity to offer integrated responses. Brazilian research reiterates that effective policies articulate income, services, and community ties (SILVA; YAZBEK; GIOVANNI, 2020). Hybrid Social Security operates exactly at this crossroads.

However, challenges persist that need to be made explicit. Excessively restrictive parameters may exclude vulnerable groups; poorly calibrated subsidies can generate

regressivity; Interaction with private operators requires strong regulation and permanent monitoring.

These concerns are recurrent in studies on microinsurance and focused protection (CHURCHILL; MATUL, 2012). The proposed model addresses these tensions by maintaining the State as the coordinator of the system and by subordinating decisions to the logic of rights, and not only to security rationality.

The overall balance indicates that the Hybrid Social Security does not represent a rupture, but an incremental evolution with high innovative potential. It dialogues with the constitutional principles of security, universality, equity and solidarity and expands the preventive dimension of the system. In the public policy literature, it is a matter of shifting the axis of state action from "help after" to "protection before", a movement that has been gaining ground in recent reforms (ILO, 2022; UNDP, 2021).

Taken together, the analytical evidence converges on a robust argument: policies that anticipate protection tend to produce more humane, more efficient, and more fiscally rational outcomes. The empirical agenda outlined throughout the study constitutes the next stage: to rigorously test the model's ability to transform itself into stable, fair, and sustainable public policy.

6 CONCLUSION

The contemporary debate on social protection has revealed a recurring paradox: a large part of public policies are called upon to act only after the damage has already been consolidated. In the Brazilian case, the combination of high informality, abrupt income shocks, and insufficient preventive mechanisms produces trajectories of impoverishment that could have been avoided.

Hybrid Social Security was conceived precisely to address this gap, not as a replacement for existing policies, but as an intermediate layer capable of reducing the risk of family collapse and preserving the BPC as an instrument of last resort.

The analytical path developed throughout the article allowed us to sustain this argument on three complementary levels. On the conceptual level, it was shown that the anticipation of protection repositions social policy over time, transforming a traditionally reparatory expenditure into a preventive investment.

On the comparative level, international evidence indicates that parametric and hybrid arrangements tend to reduce litigation, stabilize expectations, and mitigate intergenerational effects of shocks.

At the Brazilian institutional level, the compatibility of the model with the constitutional principles of social security was verified, in addition to its potential integration into the SUAS as an articulating instrument between income, services and social monitoring.

The model, however, is not without challenges. The calibration of subsidies, the risk of regressivity, federative coordination and the regulation of private operators require regulatory safeguards and administrative capacity.

Making these limits explicit does not weaken the proposal; on the contrary, it gives him academic credibility and political maturity. Innovative policies only become effective when they recognize their own trade-offs and build governance mechanisms to match.

The analytical results suggest that the Hybrid Social Security should be understood as an incremental evolution of the Brazilian social security system, and not as a rupture.

Innovation lies less in creating a new benefit and more in the intelligent reorganization of times, incentives, and responsibilities. By cushioning shocks before they turn into structural poverty, the model simultaneously contributes to dignity, efficiency, and fiscal responsibility.

The agenda that opens up from this study is, above all, empirical. It is necessary to investigate, with quantitative and qualitative methods, the concrete conditions of implementation, the distributional effects in different territories and the relationship between insurance and the future reduction of judicialization and care dependence.

The proposal outlined here does not intend to offer definitive answers, but to formulate a plausible and reasoned path to improve Brazilian social protection.

If insurance was born to protect against socially unacceptable risks, the challenge of the twenty-first century is to protect before the damage becomes irreversible.

Hybrid Social Security points in this direction. Now there is the collective work of transforming it into a public policy capable of producing trust, reducing uncertainties and expanding rights, without losing sight of the sustainability that guarantees its permanence.

Finally, although the proposal has advanced in its conceptual and institutional foundation, some analytical developments remain intentionally open. More detailed simulations of cost and coverage, federative analyses sensitive to territorial inequalities, and in-depth comparative studies on countries that have adopted similar arrangements configure a promising research agenda. These themes go beyond the limits of this article, but will be the object of subsequent studies, in which the model can be tested with greater empirical precision.

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