Article

A quest for a decision-making model for Indonesia's national social security policies

Iene Muliati*, Utomo Sarjono Putro, Yudo Anggoro

School of Business and Management, Institut Teknologi Bandung, Bandung 40132, Indonesia
* Corresponding author: Iene Muliati, iene_muliati@sbm-itb.ac.id

Abstract: This study aims to identify key strategies and tactics necessary to effectively implement national social security in a democratic Indonesia. Indonesia established the Law on the National Social Security System in 2004. However, the national social security programs did not commence until 2014. The national social security implementation has faced significant obstacles. These challenges include recurring delays, legal disputes, appeals, judicial reviews, and deviations from the original policy objectives, all threatening the long-term viability of the national social security programs. This article applies a qualitative approach by critically analyzing regulations, government reports, and publicly available data and observing open public meetings and hearings concerning implementing national social security programs. Our findings indicate that implementing national social security policies in a democratic Indonesia depends on effectively managing the dynamic processes involved in policy formulation and adoption. We propose a risk-based decision-making model to assist policymakers in mitigating policy-related risks and enhance the effectiveness of future policy agendas in social security.

Keywords: decision-making; implementation strategies; policy adoption; policy formulation; policymaking; policy risks; social security

1. Introduction

Indonesia's commitment to enhancing citizen well-being is evident in Article 28H (3) of the 1945 Constitution's Second Amendment, which guarantees social security for all (Indonesia, 2020), aligning with Article 22 of the Universal Declaration of Human Rights, recognizing social security as a fundamental human right. The International Labour Organization (ILO) Convention No. 102 provides a foundational framework for social security, offering optional schemes like universal, contributory social insurance and targeted social assistance. Further addressing existing gaps, the ILO's Social Protection Floor Recommendation No. 202 advocates for a tailored, holistic social security system based on countries' economic contexts and capacities. This emphasizes that no single model fits all (Gough and Wood, 2006), even as universal coverage remains a guiding principle, and adapting international norms to fit a country's unique socioeconomic realities while leveraging existing strengths (Kuttigalieva et al., 2024).

Social security as part of welfare systems in Indonesia has evolved over the years, shaped by external shocks and internal dynamics (Sabatier and Weible, 2007), including economic crises, significant social-political changes, and vested interests they embody over the decades (Murphy, 2019). Initially insecure welfare system during the Soekarno era, it shifted to a productivist model under Soeharto, targeting

specific demographics such as government and private sector employees, and later transitioned to an informal-liberal model, integrating informal, with the introduction of the National Social Security System (SJSN) (Sumarto, 2017).

The foundation for the SJSN was established during President Abdurrahman Wahid's administration in 2000, following the Fourth Amendment of the 1945 Constitution, which mandates the State to create a comprehensive social security system to empower marginalized people in a manner consistent with human dignity (Article 34(2)). Under President Megawati Soekarnoputri, the academic paper for the Draft SJSN Law was developed, leading to the enactment of Law No. 40/2004 on the SJSN (SJSN Law) on 19 October 2004, just before the end of her term. This law established a structured framework for social security programs administered by various agencies (Article 5 of the SJSN Law), defined as a form of social protection to meet citizens' essential needs (Article 1 of SJSN Law) and families (Article 3 of SJSN Law). It also mandated universal participation in the SJSN, including for foreign workers employed in Indonesia for at least six months (Article 4 of SJSN Law), although exceptions apply for Indonesians living abroad (Indonesia, 2004).

The SJSN operates under the social insurance model, where contributions from employees, employers, and the government fund benefits for various social risks (Articles 19(1), 20, 29(1), 30, 35(1), 36, 39(1), and 40 of SJSN Law). Salaried employees and their employers contribute a percentage of their earnings, while non-salaried workers, who are dominantly informal workers, typically make a nominal contribution. The government plays a crucial role in financing the National Health Insurance program, particularly for state apparatus and vulnerable groups, leading to a hybrid model that blends contributory social insurance with means-tested assistance. This makes the implementation politically complex, leading to challenges that often exhibit wicked problems (Head and Newman, 2007).

Furthermore, the government was mandated to create a law on social security administrators by 2009 to implement the national social security programs (Articles 5 and 52(2) of SJSN Law). After a two-year delay, Law No. 24/2011 concerning Social Security Administrators (BPJS Law) was introduced in November 2011 during President Susilo Bambang Yudhoyono's administration. The BPJS Law established two key organizations: BPJS Kesehatan, which manages the National Health Insurance program, and BPJS Ketenagakerjaan, which is responsible for Employment Social Security programs. The government needed to issue derivative regulations to comply with the SJSN and BPJS Laws, which began in 2013. On 26 December 2013, President Susilo Bambang Yudhoyono signed these necessary derivative regulations, enabling the formal implementation of the SJSN on 1 January 2014, starting with the National Health Insurance program.

Upon President Joko Widodo took office in October 2014, the National Health Insurance program expanded significantly, covering approximately 133.42 million individuals, or 52.90% of the population, by the end of 2014 (BPJS Kesehatan 2015). On 1 July 2015, Employment Social Security programs were introduced, including those for work injuries, old-age defined contribution plans, defined benefit pensions, and death benefits, with additional unemployment benefits starting in February 2022.

Complex political dynamics marked the implementation of the SJSN and often rushed legislative processes. This dynamic often complicates efforts to predict outcomes and develop effective solutions. Consequently, the government faces challenges in formulating policies based on a comprehensive evaluation of various alternatives to tackle specific issues (Anderson, 2011). Since their enactments, the SJSN Law and BPJS Law, along with their derivative regulations, have faced scrutiny over mandatory participation, the institutions managing national social security programs, funding, and benefit concerns (Bisnis, 2011; Constitutional Court, 2005, 2012, 2015, 2021; Detik, 2011; Hukumonline, 2021; Kontan, 2023; Tempo, 2011). Hudson et al. (2019) highlight four key factors that lead to policy failure: unrealistic expectations, difficulties in implementation within fragmented governance systems, insufficient collaborative policymaking, and the unpredictable nature of political dynamics. They suggest a more nuanced understanding of the process through which policy progresses and the optimal strategies for supporting it at each stage to prevent unintended consequences, even from well-intentioned interventions.

This article critically examines the implementation of the SJSN to understand governmental commitment and strategic planning in a dynamic socio-political context. Through an analysis of regulations, public data, archival documents, and direct observations of public meetings, it seeks to enhance decision-making in two key ways: first, by identifying tactics and strategies for effective policymaking and decision-making, and second, by proposing a risk-based decision-making model that integrates social and management perspectives to address implementation challenges, improve stakeholder acceptance, and align interests with SJSN goals, particularly for vulnerable populations. While the model is developed from Indonesia's national social security case, it may be applicable in other democratic contexts as well.

2. Policy process

Anderson (2011) defines public policy as a stable, goal-oriented action by actors to address concerns. While primarily developed by governmental bodies, nongovernmental actors also influence policy development. Anderson outlines five stages in the policymaking process: problem identification, policy formulation, policy adoption, policy implementation, and policy evaluation. Though analytically distinct, he notes that formulation and adoption can overlap in practice.

Anderson (2011) asserts that policymaking goes beyond procedure, requiring thorough dialogue and synthesis of diverse stakeholder insights. Policymaking begins with identifying issues and developing evidence-based solutions (Hill and Varone, 2017). However, as Newman and Head (2017) note, policymakers often oversimplify complex social problems as technical challenges, neglecting the need for value judgments (John, 2012) alongside data. While evidence utilization is crucial for improving policy debate (Weiss, 1979), relying solely on data collection without institutional change may lead to limited results (Banks, 2009). The expectation that better evidence will naturally enhance policy analysis overlooks the political realities of bargaining and stakeholder interests (Head, 2010).

Therefore, policymakers must consider internal and external factors to formulate effective alternatives (Jann and Wegrich, 2007). Bureaucratic entities involved in policy advice often operate within complex political contexts, with competing stakeholder interests leading to incremental, feasible policy outcomes (Howlett et al., 2009; Kingdon, 2003; Lindblom, 1959; Zahariadis, 2014). Incorporating institutional, stakeholder, and idea-driven factors to reflect the complexities of the policy process can enhance our understanding of policy change and stability (Sabatier, 1991) and policy responsiveness to public needs (Anderson, 2011), ultimately leading to more effective policy outcomes.

3. Methods

Indonesia's deliberative policymaking process, rooted in the Fourth Principle of the State philosophy, reflects the necessity for stakeholder engagement and consensus-building. Within this context, social security policymaking may be vulnerable to political maneuvering, bureaucratic inefficiencies, and inequitable resource distribution, posing significant challenges to realizing comprehensive social security for all citizens.

This study employs a qualitative approach (Stark and Torrance, 2005; Yin, 2014) to examine complex and dynamic social phenomena and provide in-depth insights into the policy processes surrounding Indonesia's social security system (Guba and Lincoln, 1994). Data collection encompassed a variety of methods, including a comprehensive analysis of eight Indonesian laws and regulations governing social security implementation and publicly available data, such as government reports (including six annual reports produced by the social security administrators), four Constitutional Court's decisions, media coverage, and social media communications. Additionally, six public meetings and hearings between stakeholders, the Government, and Parliament were observed to capture the political dynamics of policy discussions. To explore the policymaking process further, focus group discussions were conducted with labor unions, business associations, and social security experts.

A gap analysis was performed to identify discrepancies between the actual implementation of social security programs and their intended objectives. Data collected were coded and thematically analyzed using qualitative software, with ongoing integration throughout the writing process. We also analyze the tones of media coverage to gauge the risks. Our analysis also uses SWOT to highlight issues and potential policy action. The findings and models were triangulated through discussions with three key informants: a senior government official, a high-ranking quasi-government representative, and a public policy expert to ensure reliability and validity.

4. Results and discussion

4.1. Regulatory compliance

In 2005, a significant judicial review took place regarding a petition filed by ten employees who contested Article 17, particularly sub-articles (1), (2), and (3) of the

SJSN Law that requires participants and employers to contribute to the SJSN program (Detik, 2011), asserting that it should be the State's responsibility to provide and fund social security. The Constitutional Court dismissed this substantive review, issuing decision No. 007/PUU-III/2005, which confirmed that the SJSN Law complies with Article 34, sub-article (2) of the Constitution, highlighting its goal of covering all citizens and improving the welfare of disadvantaged groups (Constitutional Court, 2005). In a significant ruling, the Constitutional Court upheld a petition from three workers who challenged Article 15, section (1) of the BPJS Law, which requires employers to progressively enroll themselves and their employees in the BPJS social security program (Constitutional Court, 2012).

The SWOT analysis of these two cases shows that employees appreciate the SJSN programs. At the same time, court rulings affirm that the SJSN and BPJS laws align with constitutional mandates, enhancing welfare for disadvantaged groups. This reinforces the legitimacy of these programs and highlights the State's commitment to social equity. However, a lack of awareness about rights and responsibilities under these laws is seen as a significant weakness, potentially hindering compliance and jeopardizing SJSN's sustainability. Economic challenges may further limit employers' ability to meet contribution requirements, affecting participation in social security programs. These cases illustrate that divergent interests and behaviors of various groups lead to unpredictable outcomes (Anderson, 2011). The Constitutional Court's decisions should prompt the government to enhance public education and communication regarding the social security system, addressing public concerns.

Additionally, these cases illustrate the need for improved knowledge sharing and public participation in decision-making to avoid judicial backlash. Zahariadis (2014) emphasizes that understanding the dynamics between problem perception and public sentiment can facilitate agenda shifts while integrating stakeholder perspectives, essential for tackling complex issues (Head, 2022).

4.2. Institutional issues

4.2.1. Institutional arrangements

In 2005, the SJSN Law faced judicial review at the Constitutional Court, focusing on the legitimacy of agencies administering social security programs. Disputes arose from differing interpretations of Article 5, which mandates the establishment of Social Security Administrators. Some argued that existing administrators met legal requirements, while others contended they lacked legal formation. The Court's Decision Number 007/PUU-III/2005 clarified that administrators must be lawfully established, disqualifying previous entities from automatic management under the SJSN framework. Following this, the government was mandated to create social security administrators by 2009, but delays ensued. In 2011, unresolved issues led the Social Security Action Committee (KAJS) to sue officials, resulting in a partial court victory, which was later overturned after the BPJS Law was issued in 2011. Ercan et al. (2018) argue that the rise of both online and in-person platforms for political dialogue has increased the frequency and range of public discussions, but it fails to deepen their substance. Consequently, the focus

often remains on distributing individual viewpoints rather than fostering meaningful engagement among them.

Furthermore, the SWOT analysis reveals that the Constitutional Court's ruling has clarified the necessity for legally recognized Social Security Administrators, thus enhancing the legitimacy and accountability of the social security system. However, delays in implementation and varying interpretations risk undermining public trust and heightening social unrest. To mitigate these issues, the government should facilitate dialogue among itself, parliament, and civil society to promote collaborative policymaking. This approach allows for the refinement of social security laws to address public needs better and improves governance practices, thereby strengthening stakeholder trust.

4.2.2. Operational transition

A new institutional arrangement mandated by the BPJS Law also complicated the transition of existing social insurance programs to new administrators, prompting judicial review. Before the SJSN Law was enacted, various occupational employee benefits programs were already in place, creating uncertainty about their future. Beneficiaries were concerned that the SJSN programs might reduce or eliminate their existing benefits, leading to resistance. The Constitutional Court ruled in favor of petitions from retired military and civil service members, determining that PT. TASPEN and PT. ASABRI must continue operations for current participants until a formal transfer to a new social security administrator is completed by 2029. The Court annulled specific provisions of the BPJS Law, including Articles 57(e), 57(f), 65(1), and (2), complicating policy implementation and negating the requirement for PT. TASPEN and PT. ASABRI will transfer their programs by the deadline. This decision stemmed from two key rulings: Decision Number 6/PUU-XVIII/2020 and Decision Number 72/PUU-XVII/2019.

Establishing social security administrators through legislation mandated by SJSN Law is considered procedural policy (Anderson, 2011) since it focuses on the methods and processes by which the social security administrator manages the implementation of social security. However, the oversimplification and ambiguity surrounding the institutional arrangement and beneficiaries' concerns about the continuity and adequacy of prior benefits highlighted a critical challenge in the institutional arrangement and operational transition to the new social security system. Thus, make them substantive policy (Anderson, 2011). As Anderson (2001) correctly pointed out, the drafting of laws and regulations must be approached with care, as once they are implemented, individuals will start to search for loopholes or attempt to manipulate the language for their benefit.

These cases raise critical questions about the policy formulation and adoption process, specifically whether the government allows adequate time for dialogue and negotiation among diverse stakeholders. This engagement is essential for evaluating alternatives and selecting the best solutions to identified issues (Anderson, 2011). Achieving a shared understanding and consensus through ongoing collaboration is vital. Lewis (2006) highlights that careful observation and active involvement are crucial to comprehending stakeholder dynamics and their impact on policy evolution; thus, effectively managing these dynamics is crucial for successful policy

outcomes. Anderson (2011) argues that policies should not be viewed as isolated decisions but as a continuum of actions taken by government officials over time. Muliati et al. (2021) also advocate for an integrated ecosystem model that combines social and management perspectives in policy formulation. This approach can provide valuable guidance for policymakers and help mitigate unintended risks that may threaten future policy implementation.

Our SWOT analysis indicates that while the establishment of BPJS offers a structured legal framework for social insurance, it also poses challenges during the transition to the Social Security System (SJSN). This shift has generated uncertainty among beneficiaries regarding their future benefits, resulting in initial resistance and public distrust that may deter participation. Additionally, the Court's rulings could complicate the law's implementation, causing delays and contributing to a fragmented social security landscape. However, these decisions also allow the government to engage beneficiaries and stakeholders, effectively communicating the advantages of the SJSN program and addressing their concerns. Constructive feedback from beneficiaries, alongside judicial insights, could facilitate policy revisions that enhance the effectiveness and acceptance of SJSN initiatives. Ultimately, this transition may enable the integration of various social insurance programs, potentially streamlining processes and improving long-term efficiency.

4.3. Participation: Leaving vulnerable behind and lack of compliance

Upon completing the organizational transition, BPJS Kesehatan will manage comprehensive health insurance through the National Health Insurance to cover the entire population. From 2014 to December 2023, coverage expanded from 133.42 million to 267.31 million individuals, reaching 95.95% of Indonesia's population (DJSN, 2024). Despite this growth, participation rates remain below the targets set in the 2012–2019 and the 2023–2024 roadmaps (Indonesia, 2014, 2023). The share of non-active members increased from 5.95% in December 2016 to 20.11% (53.77 million) by December 2023, primarily due to informal workers representing 99.26% of current inactivity (DJSN, 2024). The increasing rate of non-active members and ongoing compliance issues pose significant risks to the sustainability of the National Health Insurance program.

In comparison, the Employment Social Security programs only enrolled 51.79% of the targeted participants from the 2013–2019 roadmap (Indonesia, 2014), covering just 43.45% of the working labor force in December 2019, with 37.84% classified as non-active (BPJS Ketenagakerjaan, 2021). Attracting membership from non-wage earners, mainly consisting of those in informal employment, remains a formidable challenge. As of August 2023, the labor force comprised 147.71 million individuals, with 59.11% classified as informal workers (BPS, 2023). Most informal workers reside in rural areas, contrasting with formal workers in urban environments.

As of December 2023, participation increased to 61.08 million individuals (43.67% of the working labor force), yet 31.95% were non-active, mainly from the formal sector (Ministry of Labor, 2024). Informal workers accounted for only 16.65% of enrollment in these programs, yet 9.63% are non-active. The Employment Social Security program coverage remains limited, with alarmingly low participation

rates in specific schemes as of December 2023: 29.72% in work-accident and death benefits, 13.07% in old-age savings, and 10.31% in pensions (Ministry of Labor, 2024). This low participation and high non-compliance expose many informal workers to financial vulnerability.

The SWOT analysis indicates that BPJS Kesehatan and BPJS Ketenagakerjaan target the same population, presenting an opportunity for improved participation through coordinated policies. However, separate registration and contribution data systems hinder BPJS's efforts to expand participation and ensure compliance, leading to issues like incomplete employee registration and wage underreporting (Antara, 2018). These challenges persist as of 2022 (BPJS Ketenagakerjaan, 2022). To enhance participation and improve data validity, BPJS should streamline operations, potentially merging systems or creating a centralized data management entity. Improving communication among BPJS, employees, and employers, along with stakeholder engagement in policy formulation, is essential for successful compliance and system sustainability.

4.4. Technical: social and financial goals

Given that both BPJS programs experienced non-compliance, leading to a significant number of individuals being left uncovered, it is crucial to assess the progress of program implementation.

4.4.1. National health insurance program

As of December 2023, 58.66% of National Health Insurance members received government-funded contributions, with 51.93% receiving direct assistance and 6.73% affiliated with the state apparatus (DJSN, 2024). Private sector workers accounted for only 13.26%, while non-salaried workers, primarily in informal jobs, comprised 26.11%, with 76.77% classified as non-active (DJSN, 2024). Non-worker members constituted a mere 1.97% of the total (DJSN, 2024). This reliance on government support raises concerns about the accuracy of beneficiary data and the government's fiscal capacity, especially given Indonesia's low tax ratio of 10.21% in 2023 (Kontan, 2024).

Since its inception, the National Health Insurance program has experienced ongoing financial deficits. The disparity between required and actual contribution rates, a growing number of non-active members, inadequate preventive care promotion, and fraud issues have worsened the financial situation. By December 2014, the National Health Insurance Fund had already recorded a deficit of IDR 3.31 trillion.

Government Regulation 87/2013 and Regulation 84/2015 present several options to address these deficits, including adjusting contribution rates, increasing subsidies, or reducing benefits. Despite multiple fiscal subsidies provided by the government (Fauzia and Jatmiko, 2020), significant contribution adjustments in 2016 and 2018 were largely unsuccessful.

In 2019, the government attempted to nearly double contribution rates through Presidential Regulation 75/2019, which faced intense public backlash, including from The Indonesian Dialysis Patient Community (KPCDI) (Kompas, 2020) and labor unions. Critics highlighted the lack of public hearings before implementation

(Jatmiko and Ulya, 2020; Karunia and Setiawan, 2020), prompting calls for postponement, particularly for non-salaried workers classified as hospital room class III participants (Fauzia and Jatmiko, 2020; Putri, 2020). This resistance illustrates a disconnect between the government's objectives and public understanding of the national social security system.

This situation highlights a significant gap in understanding the national social security system and the government's efforts to maintain essential health. The government covers contributions for nearly 40% of the lowest-income individuals and provides additional subsidies to the National Social Health Insurance Fund, suggesting that proposed increases will not heavily impact economically disadvantaged groups. Despite extensive media coverage of opposition from various actors, the government has offered limited clarification on its decision. This communication gap underscores the need for diverse outreach strategies to better inform the public about the health insurance system's current status and governance.

On 27 February 2020, the Supreme Court partially upheld a judicial review, annulling the contribution adjustments due to conflicts with the Constitution and health laws (Hakim and Krisiandi, 2020). The decision emphasized sociological considerations and principles of justice for vulnerable populations (Erdianto and Nugraheny, 2020). The deficit had grown to IDR 50.66 trillion by December 2019 (DJSN, 2024), underscoring the urgent need for improved communication and knowledge-sharing regarding rights and responsibilities within the national social security framework.

Following the Supreme Court's ruling, Presidential Regulation 64/2020 was introduced on 5 May 2020, allowing gradual contribution adjustment and additional subsidies. The government initiated a comprehensive communication strategy to explain these changes, emphasizing collective responsibility in health insurance participation. Promoting a culture of solidarity regarding social protection can enhance public support for reforms (Kuttigalieva et al., 2024). Moreover, effective stakeholder engagement and negotiation during the policy options stage are crucial for building consensus and aligning values (Mangkusubroto et al., 2016).

Despite significant opposition, the regulation prevailed, reflecting incremental policymaking (Lindblom, 1959). The approach to sharing costs with the local governments aligns with the necessity of involving multiple stakeholders in policymaking (Mangkusubroto et al., 2016). While these interventions temporarily mitigated financial challenges, with the deficit dropping to IDR 7.69 trillion by December 2020 and achieving a surplus of IDR 57.76 trillion by December 2023 (DJSN, 2024), the COVID-19 pandemic reduced healthcare access and claims.

Presidential Regulation 64/2020 issuance illustrates the government's response to the Supreme Court's ruling while navigating public concerns. Thacher and Rein (2004) note that conflicting values often mark policy issues, and governmental responses to these value conflicts tend to be more nuanced and variable than conventional public policy frameworks suggest. Influences on policy decisions include competing interests, economic incentives, and external pressures (Datta et al., 2011). Ultimately, the policy process involves ongoing negotiations among various coalitions, highlighting Indonesia's complex dynamics of health policy development (Sabatier et al., 1993, 2014).

Financial challenges highlight the difficulties in using cost-benefit analysis for evidence-based policymaking, as these methods require a thorough evaluation of social and financial impact, often allowing subjective value judgments (John, 2012). Bureaucratic agencies, influenced by political dynamics and organizational culture, prioritize decision-making over optimal solutions (John, 2012). Head and Newman (2017) suggest that merging social and technical issues into a spectrum can improve policymaking. Muliati et al. (2021) propose an integrated ecosystem model that combines social and management perspectives to guide policy formulation better and reduce implementation risks.

The SWOT analysis underscores the complexities of Indonesia's National Health Insurance program and the challenges policymakers encounter in ensuring its sustainability and effectiveness. While the program provides essential medical benefits, with 58.66% of members supported by government funding, its reliance on these contributions raises fiscal sustainability concerns, compounded by low compliance rates and public resistance to contribution adjustments. Strategic communication, stakeholder engagement, and careful financial management are essential to address these challenges. Future policy adjustments should be gradual, alongside efforts to promote preventive health measures, which could enhance public support and improve long-term health outcomes.

4.4.2. Employment social security programs: Short-term decision, long-term sustainability issue

In 2015, the government introduced Minister of Labor Regulation 19/2015, which allows early withdrawal of funds from the old-age savings program anytime (BBC, 2022). This decision has shifted the program's original purpose of securing post-retirement needs to one of immediate liquidity, undermining long-term financial security and goals.

The death benefits program is also at risk of financial instability due to substantial increases in benefits, such as a 1350% rise in scholarship benefits and a 75% rise in cash benefits upon participant death (Kompas, 2020), while contribution rate kept the same, compounded by the reallocation of contributions to fund an unemployment benefits program as mandated by the Job Creation Law. The interplay between various funding sources and policies, e.g., reallocating contributions to unemployment benefits, complicates financial management and may create funding shortfalls. By December 2023, the death benefit fund's net assets decreased by 17% compared to December 2020.

The main conclusion from both policy decisions is that, while these policies aim to enhance support for members, they may inadvertently jeopardize the long-term sustainability of the National Social Security programs and deviate from their original goals. Therefore, balancing social support and financial viability is vital.

Enhancing communication about the benefits of preserving old-age savings for retirement can encourage greater public engagement and support. Additionally, re-evaluating regulations related to early withdrawals from the old-age savings program can help restore its intended purpose and improve long-term financial security.

To bolster public trust in the program and its governance, utilizing technology to implement digital tools for better fund management and to facilitate individuals'

access to their account balances and payment information could enhance efficiency and transparency within the system.

5. Conclusion: Risk-based decision-making model

This article critically examines the implementation of national social security programs, focusing on the strategies and tactics that underpin effective decision-making. Social security is a vital framework for providing financial assistance to individuals unable to sustain themselves. Nevertheless, this system frequently faces significant challenges within intricate socioeconomic contexts. Despite these obstacles, social security remains indispensable in numerous societies, delivering essential support to millions worldwide. By recognizing the social security systems' complex and dynamic nature, policymakers and advocates can collaborate to design more effective and equitable social security programs that cater to diverse populations.

In Indonesia, the evolution of the national social security system under the leadership of four successive presidents underscores the necessity of sustained governmental commitment to implement social security policies successfully. The intricate landscape of Indonesia's social security framework involves many stakeholders, each with distinct interests, which profoundly impact coverage, effectiveness, and long-term sustainability.

Furthermore, our analysis reveals a general appreciation among the public for national social security benefits; however, a limited understanding of rights and responsibilities hampers compliance and participation. The existence of disparate data systems managed by separate social security administrators has also resulted in inefficiencies, further impeding participation. It is imperative to explore strategic operational options, such as system consolidation or establishing a centralized data management entity, to enhance efficiency.

Additionally, economic challenges present significant barriers, complicating the ability of participants and employers to meet contribution requirements and ultimately affecting overall program participation. Ongoing economic pressures also strain government resources. Future policy adjustments ought to be gradual, aimed at cultivating public support and improving outcomes. To address these issues, a strategic focus on communication, stakeholder engagement, and prudent financial management is essential to balance social objectives with financial viability. Regular stakeholder forums should be established to facilitate collaborative policymaking, promoting compliance and sustainability.

Moreover, insights gleaned from focus groups comprising labor unions, business associations, and public policy experts emphasize the necessity of effective communication in bolstering the credibility of national social security policies. The dynamics of power between the government and stakeholders, coupled with a tendency to prioritize technical details over strategic initiatives, can undermine policy effectiveness. Thus, actively engaging key stakeholders to gather insights is crucial for identifying areas for improvement and enhancing participation in decision-making processes. Strengthened communication channels, collaboration,

and robust leadership are vital for informed policymaking, yielding effective policy outputs and fostering broader support for national social security policy initiatives.

As Indonesia's national social security implementation evolves in response to policy demands, it necessitates a comprehensive and integrated approach. The risks associated with policy misalignment and stakeholder dissatisfaction require proactive measures, including adopting a risk-based decision-making model, as shown in **Figure 1**. Continuous engagement, effective communication, and collaboration among all stakeholders will be critical for achieving sustainable policy outcomes and ensuring the long-term efficacy of social security initiatives.
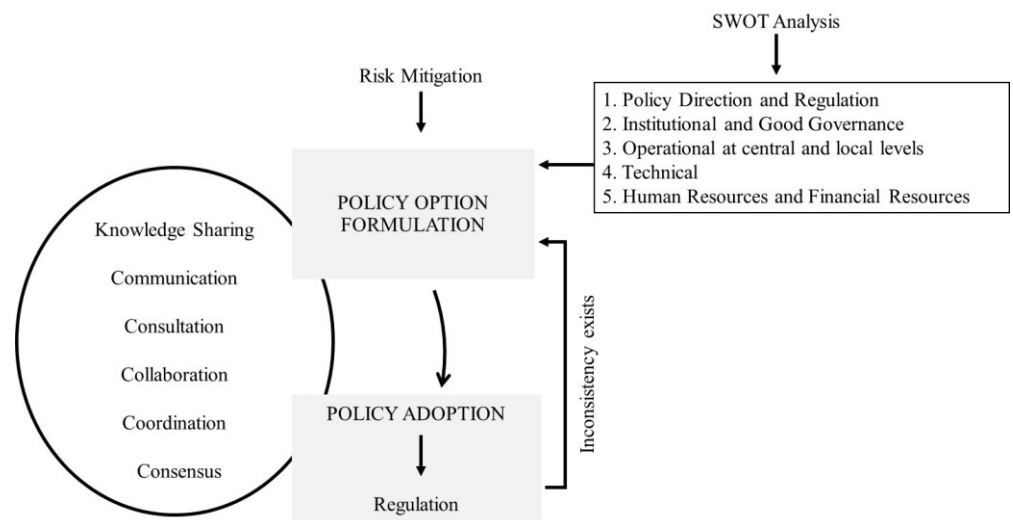

Figure 1. Risk-based decision-making model.

To mitigate risks, a continuous application of a risk-based decision-making model, coupled with clearly identified strategies during policy formulation and adoption, is essential. This approach can enhance the sustainability of social security programs while ensuring they serve the needs of the Indonesian populace effectively. Notably, such processes should also align with the Fourth Principle of Pancasila, reinforcing the commitment to social justice within the policymaking framework.

Author contributions: Conceptualization, IM; methodology, IM, USP and YA; validation, IM; formal analysis, IM; investigation, IM; data curation, IM; writing—original draft preparation, IM; writing—review and editing, IM; review and supervision, USP and YA. All authors have read and agreed to the published version of the manuscript.

Conflict of interest: The authors declare no conflict of interest.

References

Anderson, J. E. (2011). Public policymaking: An introduction (7th ed.). Wadsworth Cengage Learning.

Antara. (2018). Workers lose out if they only register part of their wages. Antara. https://www.antaranews.com/berita/765235/pekerja-rugi-jika-didaftarkan-hanya-sebagian-upahnya

Banks, G. (2009). Evidence-based policy making: What is it? How do we get it? Canberra: Productivity Commission.

BBC News Indonesia. (2022). Kembali ke aturan lama, JHT BPJS Ketenagakerjaan boleh diambil sebelum umur 56 tahun. BBC News Indonesia. https://www.bbc.com/indonesia/indonesia-60365041

Bisnis. (2011). Gugatan tentang jaminan sosial berlanjut. Bisnis.com. https://kabar24.bisnis.com/read/20110126/16/20551/gugatan-tentang-jaminan-sosial-berlanjut

BPJS Kesehatan. (2015). Laporan pengelolaan program tahun 2014 & laporan keuangan tahun 2014 (auditan). https://bpjs-kesehatan.go.id/#/informasi-publik-detail?slug=-laporan-pengelolaan-program-tahun-2014-laporan-keuangan-tahun-2014-auditan

BPJS Kesehatan. (2020). Ringkasan eksekutif laporan pengelolaan program dan laporan keuangan BPJS Kesehatan tahun 2019 (auditan). https://bpjs-kesehatan.go.id/#/informasi-publik-detail?slug=ringkasan-eksekutif-laporan-pengelolaan-program-dan-laporan-keuangan-bpjs-kesehatan-tahun-2019-auditan

BPJS Ketenagakerjaan. (2022). Laporan terintegrasi 2021: Transformasi digital untuk tingkatkan layanan unggul 2021.

BPJS Ketenagakerjaan. (2022). BPJS Employment intensifies supervision of compliance in implementation of Jamsostek protection program. BPJS Ketenagakerjaan. https://www.bpjsketenagakerjaan.go.id/berita/28078/BPJS-Ketenagakerjaan-Gencarkan-Pengawasan-Kepatuhan-Penyelenggaraan-Program-Perlindungan-Jamsostek

BPJS Ketenagakerjaan. (2019). Laporan tahunan terintegrasi 2019: Pertumbuhan agresif untuk perlindungan berkelanjutan. https://www.bpjsketenagakerjaan.go.id/laporan-terintegrasi.html

BPJS Ketenagakerjaan. (2020). Laporan tahunan terintegrasi 2020: Menghadapi tantangan memperkuat inovasi berkelanjutan 2020. https://www.bpjsketenagakerjaan.go.id/laporan-terintegrasi.html

BPJS Ketenagakerjaan. (2023). Laporan pengelolaan program: Laporan keuangan audit 2023. https://www.bpjsketenagakerjaan.go.id/kinerja-badan.html

BPS (Central Bureau of Statistics). (2024). Jumlah Penduduk Pertengahan Tahun (Ribu Jiwa), 2021-2023. Retrieved from https://www.bps.go.id/indicator/12/1975/1/jumlah-penduduk-pertengahan-tahun.html.

Constitutional Court. (2005). Putusan Mahkamah Konstitusi Republik Indonesia nomor: 007/PUU-III/2005.

Constitutional Court. (2012). Buruh bisa daftar sendiri peserta BPJS. Mahkamah Konstitusi Republik Indonesia. https://www.mkri.id/index.php? Page = web.Berita&id = 7647&menu = 2

Constitutional Court. (2015). Wajib ikut BPJS, karyawan gugat UU BPJS. Mahkamah Konstitusi Republik Indonesia. https://www.mkri.id/index.php? Page = web.Berita&id = 12242

Constitutional Court. (2021). Salinan putusan perkara nomor 72/PUU-XVII/2019.

Datta, A., Jones, H., Febriany, V., et al. (2011). The political economy of policymaking in Indonesia. Overseas Development Institute.

Detik. (2011). MK tolak uji materi UU Sistem Jaminan Sosial Nasional. Detik.com. https://news.detik.com/berita/d-1772327/mk-tolak-uji-materi-uu-sistem-jaminan-sosial-nasional

DJSN (National Social Security Council), BPJS Kesehatan. (2020). Statistik JKN 2014–2018 Statistik JKN 2014–2018: Mengungkap Fakta Dengan Data. https://djsn.go.id/files/dokumen/Dokumen%20Kajian/202104151516Statistik%20JKN%202014-2018_PDF%20E-Book_Cetakan%20Pertama(DJSN%20-%20BPJS%20Kesehatan).pdf.

DJSN. (2024). Perkembangan peserta aktif dan tidak aktif tahun 2023. Sistem Monitoring dan Evaluasi DJSN. Retrieved from https://kesehatan.djsn.go.id/kesehatan/aktifnonaktif/

DPR (The House of Representatives) of the Republic of Indonesia, Commission IX. (2019). Meeting with the Minister of Health and public hearing with DJSN, BPJS Health, and the Supervisory Board of BPJS Health: Discussing the increase in BPJS Health contributions [Video]. YouTube. https://www.youtube.com/watch?v=C8hwUsYW6Qo

DPR (The House of Representatives) of the Republic of Indonesia, Commission IX. (2019). Meeting with the Minister of Health and public hearing with DJSN, BPJS Health, and the Supervisory Board of BPJS Health: Discussing the increase in BPJS Health contributions [Video]. Komisi IX DPR RI. https://www.youtube.com/watch?v=xJ4Ep4fCwf4

DPR (The House of Representatives) of the Republic of Indonesia, Commission IX. (2020). Meeting with the Minister of Health and public hearing with DJSN, Supervisory Board of BPJS Health, and Director of BPJS Health: Discussion on financing contribution increases for PBPU and BP Class III, hospital claim debts, and addressing the deficit in the Social Security Health Fund for 2019 [Video]. YouTube. https://www.youtube.com/watch?app=desktop&v=5Noq5uRL6ak

DPR (The House of Representatives) of the Republic of Indonesia, Commission IX. (2021). Meeting with the Minister of Health and public hearing with the Chairperson of DJSN, Supervisory Board of BPJS Health, and Director of BPJS Health: Discussion on health service quality improvement during the pandemic and related issues [Video]. Facebook.

https://www.facebook.com/DPRRI/videos/komisi-ix-dpr-ri-rapat-kerja-dengan-menteri-kesehatan-ri-rapat-dengar-pendapat-d/318699853025249/

DPR (The House of Representatives) of the Republic of Indonesia, Commission IX. (2021). Public hearing with DJSN, BPJS Health, and P2JK: Discussion on participant data security, implementation of Basic Health Needs (KDK), and improving health services for equitable access in the National Health Insurance (JKN) program [Video]. Komisi IX DPR RI Channel. https://www.youtube.com/watch?v=15CT4ADW3LA

DPR (The House of Representatives) of the Republic of Indonesia, Commission IX. (2021). Meeting with the government: Discussion on data issues related to the synchronization of Integrated Social Welfare Data (DTKS) and beneficiaries of Contribution Assistance Recipient (PBI) [Video]. Komisi IX DPR RI Channel. https://www.youtube.com/watch?v=25mNAQGkHAE

Ercan, S., Hendriks, C., Dryzek, J. (2018). Public deliberation in an era of communicative plenty. Policy & Politics, 47(4), 673–692. https://doi.org/10.1332/030557318X15200933925405

Fauzia, M., Jatmiko, B. P. (2020). Di depan Sri Mulyani, anggota DPR ramai-ramai desak pembatalan kenaikan iuran BPJS Kesehatan. Kompas.com. https://money.kompas.com/read/2020/02/18/144758026/di-depan-sri-mulyani-anggota-dpr-ramai-ramai-desak-pembatalan-kenaikan-iuran

Guba, E. G., Lincoln, Y. S. (1994). Competing paradigms in qualitative research. In N. K. Denzin & Y. S. Lincoln (Eds.), Handbook of qualitative research (pp. 163–194). Sage Publications.

Hakim, R. N., Krisiandi. (2020). MA batalkan kenaikan iuran BPJS Kesehatan, ini kata Sri Mulyani. Kompas.com. https://nasional.kompas.com/read/2020/03/11/19502341/ma-batalkan-kenaikan-iuran-bpjs-kesehatan-ini-kata-sri-mulyani

Head, B. W. (2010). Reconsidering evidence-based policy: Key issues and challenges. Policy and Society, 29(2), 77–94. https://doi.org/10.1016/j.polsoc.2010.03.001

Head, B. W. (2022). Political governance of wicked problems. In Wicked problems in public policy (pp. 37–60). https://doi.org/10.1007/978-3-030-94580-0_3

Hill, M. J., Varone, F. (2017). The public policy process. Routledge, Taylor & Francis Group.

Howlett, M., Perl, A., Ramesh, M. (2009). Studying public policy: policy cycles & policy subsystems. Oxford University Press. https://www.bpjsketenagakerjaan.go.id/laporan-terintegrasi.html

Hudson, B., Hunter, D., Peckham, S. (2019). Policy failure and the policy-implementation gap: Can policy support programs help? Policy Design and Practice, 2(1), 1–14. https://doi.org/10.1080/25741292.2018.1540378

Hukumonline.com. (2021). Putusan MK soal uji UU BPJS berpotensi memunculkan diskriminasi. Hukumonline.com. https://www.hukumonline.com/berita/a/putusan-mk-soal-uji-uu-bpjs-berpotensi-memunculkan-diskriminasi-lt615c2d2811747/

Idris, M. (2020). Iuran BPJS Kesehatan batal naik, ancaman defisit Rp 77 triliun di depan mata. Kompas.com. https://money.kompas.com/read/2020/03/10/115215926/iuran-bpjs-kesehatan-batal-naik-ancaman-defisit-rp-77-triliun-di-depan-mata? Page = 2

Ihsanuddin, D. M. (2020). MA batalkan kenaikan iuran BPJS Kesehatan, Istana belum ambil langkah. Kompas.com. https://nasional.kompas.com/read/2020/03/10/09482481/ma-batalkan-kenaikan-iuran-bpjs-kesehatan-istana-belum-ambil-langkah

Indonesia. (1945). The 1945 Constitution of the Republic of Indonesia and the Amendment. Indonesia Government.

Indonesia. (2004). Law 40/2004 on the national social security system. Indonesia Government.

Indonesia. (2011). Law 24/2011 on the Social Security Administrative Body. Indonesia Government.

Indonesia. (2019). Presidential Regulation 75/2019 concerning the amendments to the Presidential Regulation 82/2018 concerning national health insurance. Indonesia Government.

Indonesia. (2020). Presidential Regulation 18/2020 concerning the 2020–2024 national medium-term development plan. Indonesia Government.

Indonesia. (2021). Government Regulation 37/2021 on the implementation of unemployment benefits program. Indonesia Government.

Indonesia. (2022). Government Regulation in lieu of law (Perppu) 2/2022 on job creation. Indonesia Government.

Indonesia. (2023). Presidential Regulation 36/2023 concerning social security roadmap for 2023–2024. Indonesia Government.

International Labour Office (ILO). (2012). Social security to all: The strategy of the International Labour Organization: Building social protection floors and comprehensive social security systems. ILO.

Jann, W., Wegrich, K. (2006). Theories of the policy cycle. In Theories of the policy cycle (pp. 1–16). https://doi.org/10.1201/9781420017007.pt2

John, P. (2012). Analyzing public policy (2nd ed.). Routledge Textbooks in Policy Studies. New York: Routledge.

Karunia, A. M., Setiawan, S. R. D. (2020). Ini kata buruh soal pembatalan aturan kenaikan iuran BPJS Kesehatan. Kompas.com. https://money.kompas.com/read/2020/03/09/194000226/ini-kata-buruh-soal-pembatalan-aturan-kenaikan-iuran-bpjs-kesehatan

Kingdon, J. W. (2003). Agendas, alternatives, and public policies. Longman Publishing Group.

Kompas. (2020). Jokowi naikkan JKM BPJamsostek hingga Rp 42 juta ditambah beasiswa untuk anak. Kompas.com. https://biz.kompas.com/read/2020/01/10/174222528/jokowi-naikkan-jkm-bpjamsostek-hingga-rp-42-juta-ditambah-beasiswa-untuk-anak.

Kontan. (2023). Gugatan uji materi ditolak, UU Cipta Kerja berlaku seluruhnya. Kontan.co.id. https://tv.kontan.co.id/video/PHZj5MPhGLU.

Kontan. (2024). Sri Mulyani sebut tax ratio Indonesia 2023 sebesar 10,21%. Kontan.co.id. https://nasional.kontan.co.id/news/sri-mulyani-sebut-tax-ratio-indonesia-2023-sebesar-1021

Kuttigalieva, A., Khamzina, Z., Yermukhametova, S., et al. (2024). Enhancing social welfare in Kazakhstan: A strategic approach to adopting international social security standards. Journal of Infrastructure, Policy and Development, 8(7), 5159. https://doi.org/10.24294/jipd.v8i7.5159.

Lindblom, C.E. (1959). The Science of "Muddling Through". Public Administration Review, 19(2), 79–88. https://doi.org/10.2307/973677.

Maharani, T., Meiliana, D. (2020, March 10). Pimpinan DPR minta putusan MA soal pembatalan kenaikan iuran BPJS Kesehatan dipatuhi. Kompas.com. https://nasional.kompas.com/read/2020/03/10/12213621/pimpinan-dpr-minta-putusan-ma-soal-pembatalan-kenaikan-iuran-bpjs-kesehatan

Mangkusubroto, K., Utomo, D. S., Ramadhani, D. (2016). Supporting decision making for a republic under a complex system. In K. Mangkusubroto, U. S. Putro, S. Novani, & K. Kijima (Eds.), Systems science for complex policy making: A study of Indonesia (pp. 1–15). Translational Systems Sciences (Vol. 3). Springer. https://doi.org/10.1007/978-4-431-55273-4_1

Mashabi, S., Erdianto, K. (2020). Pemerintah diminta tak cari 'rumus' baru menaikkan iuran BPJS Kesehatan. Kompas.com. https://nasional.kompas.com/read/2020/03/10/17260621/pemerintah-diminta-tak-cari-rumus-baru-menaikkan-iuran-bpjs-kesehatan

Ministry of Labor. (2024). Peserta BPJS Ketenagakerjaan, Desember tahun 2023. Retrieved from https://satudata.kemnaker.go.id/data/kumpulan-data/1714

Muliati, I., Putro, U. S., & Anggoro, Y. (2021). Ensuring social security for all: Key considerations for policy options in Indonesia. *Policy & Governance Review, 5*(3), 240–259. https://doi.org/10.30589/pgr.v5i3.456

Murphy, J. (2019). The historical development of Indonesian social security. Asian Journal of Social Science, 47(2), 255–279. https://doi.org/10.1163/15685314-04702005

Newman, J., Head, B. W. (2017). Wicked tendencies in policy problems: Rethinking the distinction between social and technical problems. Policy and Society, 36(3), 414–429. https://doi.org/10.1080/14494035.2017.1361635

Nugraheny, D. E., Erdianto, K. (2020). MA: Perpres jaminan kesehatan tetap berlaku, hanya kenaikan iuran yang dibatalkan. Kompas.com. https://nasional.kompas.com/read/2020/03/12/13270391/ma-perpres-jaminan-kesehatan-tetap-berlaku-hanya-kenaikan-iuran-yang

Purba, D. O. (2020). Ini kata dirut BPJS Kesehatan terkait pembatalan kenaikan iuran peserta oleh MA. Kompas.com. https://regional.kompas.com/read/2020/03/11/15185651/ini-kata-dirut-bpjs-kesehatan-terkait-pembatalan-kenaikan-iuran-peserta-oleh? Page = 2

Putri, C. A. (2020). Iuran BPJS kesehatan naik, DPR ramai tolak Perpres 64/2020. CNBC Indonesia. https://www.cnbcindonesia.com/news/20200514092454-4-158368/iuran-bpjs-kesehatan-naik-dpr-ramai-tolak-perpres-64-2020

Sabatier, P. A. (1991). Toward better theories of the policy process. PS: Political Science and Politics, 24(2), 147–156. American Political Science Association. http://www.jstor.org/stable/419923

Sabatier, P. A., Weible, C. (2007). The advocacy coalition: Innovations and clarifications. In P. A. Sabatier (Ed.), Theories of the policy process (pp. 189–220). Westview Press.

Stark, S., Torrance, H. (2005). Case study. In B. Somekh & C. Lewin (Eds.), Research methods in the social sciences (pp. 33–40). Sage.

Sumarto, M. (2017). Welfare regime change in developing countries: Evidence from Indonesia. Social Policy & Administration, 51(6), 940–959. https://doi.org/10.1111/spol.12340

Tempo. (2011). Gugatan soal jaminan sosial nasional dikabulkan. Tempo. https://nasional.tempo.co/read/346394/gugatan-soal-jaminan-sosial-nasional-dikabulkan

Thacher, D., Rein, M. (2004). Managing value conflict in public policy. Governance, 17(4), 457–486. https://doi.org/10.1111/j.0952-1895.2004.00254.x

Ulya, F. N., Jatmiko, B. P. (2020, February 5). KSPI tolak kenaikan iuran BPJS Kesehatan, ini alasannya. Kompas.com. https://money.kompas.com/read/2020/02/05/114200726/kspi-tolak-kenaikan-iuran-bpjs-kesehatan-ini-alasannya

Weiss, C. H. (1979). The many meanings of research utilization. Public Administration Review, 39, 426–431.

Wood, G., Gough, I. (2006). A comparative welfare regime approach to global social policy. World Development, 34(10), 1696–1712. https://doi.org/10.1016/j.worlddev.2006.02.001

Yin, R. K. (2014). Case study research: Design and methods (5th ed.). Sage.

Zahariadis, N. (2014). Ambiguity and multiple streams. Theories of the policy process, 3(1), 25–59.