

[Press Releases](#)

ID.me Statement on House Oversight Committee Report

November 18, 2022 | By: [ID.me](#)

From: Terry Neal – Chief Communications Officer – ID.me

ID.me is a digital identity network that has dramatically expanded access to government services for disadvantaged Americans. Since it was founded, ID.me has pioneered alternative pathways for millions of people to verify their identity online, particularly for individuals who do not have credit history, are underbanked, are without a home, or live overseas and therefore have difficulty accessing government benefits. As has been reported, ID.me has nearly doubled the number of people able to create an IRS account, and made it easier for many Americans — including low income earners and minorities — to access their tax information.

On Fraud Prevention for States:

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)

Accept

Deny Non-Essential

Manage Preferences

ID.me based our initial estimate on our observations detecting and preventing identity fraud between 2020 and 2021. We had already been helping more than 20 states to address surges in COVID-related benefit applications prior to formulating a perspective on an overall fraud figure.

Department of Labor (DOL) Office of Inspector General (OIG) recently released an audit finding that 42.4 percent of pandemic unemployment benefits were improperly paid in four states they assessed. Further, Michigan reported \$8.5 billion dollars in fraudulent payments, a fraud rate of about \$850 million for every million residents in the state. The Heritage Foundation also calculated \$357 billion dollars in improper payments during testimony to the House Committee on Oversight and Reform.

Assistant Secretary of the Treasury for Terrorist Financing and Financial Crimes, Elizabeth Rosenberg, noted, “When some of the states, such as Arizona, recognized that they were being defrauded, they partnered with a digital ID company called ID.me. Almost immediately the fraud ring saw the game was up.” Deputy District Attorney for Sacramento County Nick Johnson said pandemic fraud numbers are dropping thanks to ID.me verification, but added that the numbers are not at zero. “The mass volume, what we were seeing, thousands and thousands of victims on an almost daily basis coming in, that’s done because of the verification,” Johnson said.

As state agencies realized the extent of the fraud that had penetrated their systems prior to implementing ID verification, many of them asked ID.me to verify months worth of claimants en masse to avoid paying criminal organizations and individual fraudsters hundreds of dollars a week on an ongoing basis. This situation, which required ID.me to verify a much larger number of people

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)

California EDD – \$125 billion

[Read More →](#)

“EDD takes an aggressive approach to combating fraud and these fraud-fighting efforts have blocked an estimated \$125 billion in unemployment insurance fraud attempts during the pandemic.”

New Jersey DOL – \$5.4 billion

[Read More →](#)

“To date, NJDOL has identified more than 500,000 attempted fraudulent claims and prevented more than \$5.4 billion in losses.”

Georgia DOL – \$10 billion

[Read More →](#)

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)

measures, the Department estimates it prevented more than \$75 billion in unemployment benefit fraud.”

Florida DEO – \$23B

Read More →

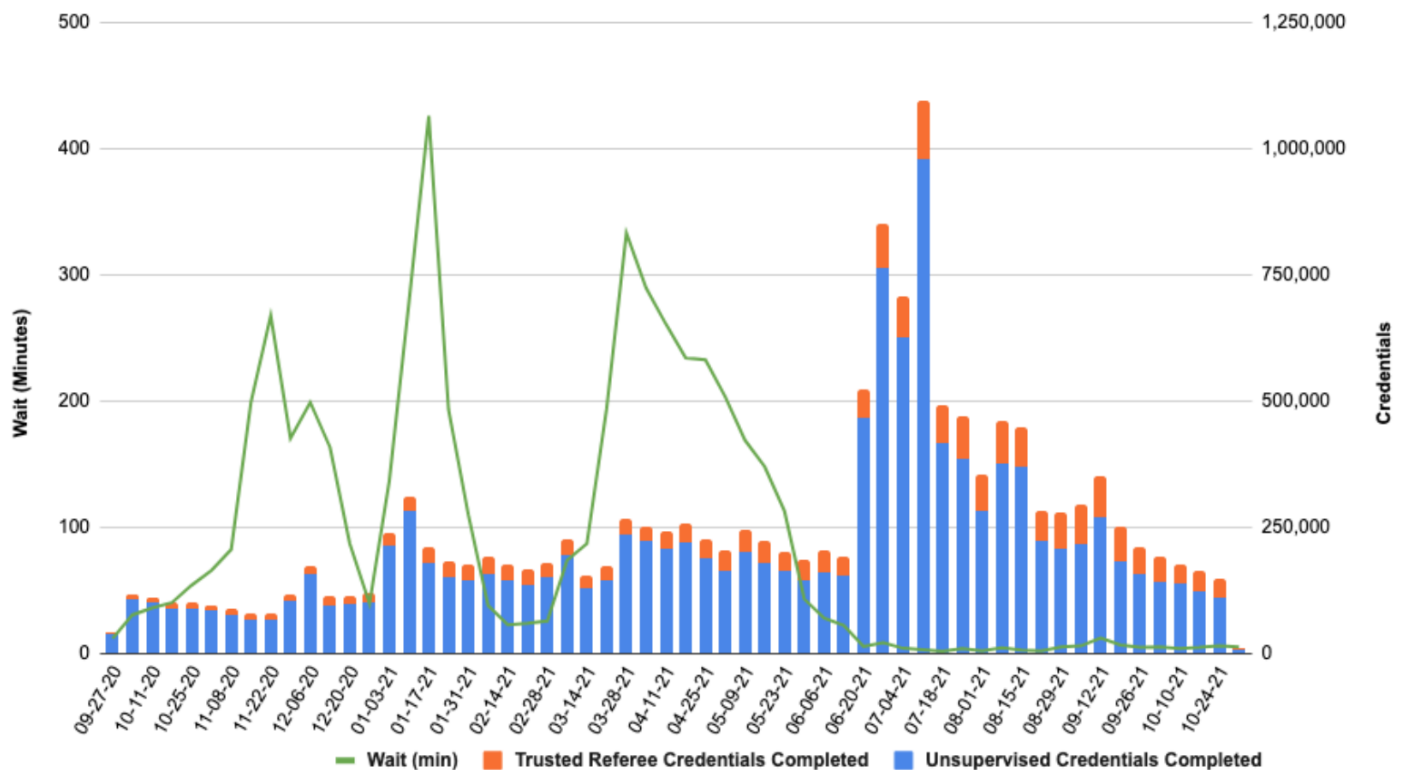
“The security of claimants’ information is a top priority for the Department, and DEO is working with ID.me to assess how the new configuration will impact Reemployment Assistance claimants. DEO is dedicated to making sure that any time a new process is offered, it is thoroughly vetted. Through the current process with ID.me, DEO estimated to have prevented \$23 billion in potentially fraudulent payments since March 2020, after a careful review of the locked Reemployment Assistance accounts.”

On Wait Times:

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)

months later – ID.me was able to meet significantly higher verification demand with steady, low wait times. In partnership with the IRS, ID.me’s support to the Advanced Childcare Tax Credit Program saw verification volumes quadruple in a matter of weeks. At the same time, ID.me was able to reduce wait times to less than 15 minutes, thanks to close collaboration with the agency on preparation and launch.

Average Daily Wait Times + Credentials



This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)



verification contracts. I want to address that directly here.

[ID.me](#) was already under contract with 43 government agencies, including 26 state unemployment agencies, before I ever made any estimate about \$400B in improper unemployment payments. We released our estimate as concerned citizens who were shocked at the extent of the fraud we were witnessing across states.

Our goal was to make people aware of this crisis, which Deputy Assistant Director of the FBI, Jay Greenberg, called an "economic attack" on the United States. Jeremy Sheridan, who directs the office of investigations at the Secret Service, also noted it was "the largest fraud scheme I've ever encountered."

Five states have independently credited [ID.me](#) with helping to prevent \$238 billion dollars in fraud. Deputy District Attorney for Sacramento County Nick Johnson said "The mass volume, what we were seeing, thousands and thousands of victims on an almost daily basis coming in, that's done because of the ([ID.me](#)) verification," Johnson said.

Any assertion that we made a claim about fraud to advance our business omits the fact that 43 agencies chose [ID.me](#) before the statement was ever made.

The procurement process to select a vendor is based on capabilities, not fraud context. [ID.me](#) earned the right to support the government because of our certifications against the NIST 800-63-3 security and privacy requirements. We also have differentiated access and equity features we have developed over the course of many years to assist historically underserved communities. Given the context, we are proud

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)

Tags

Government

Security

About the Author

ID.me

[More from this author](#) →

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)

Platform	Features	Industries	Communities
ID.me Digital Wallet	Regulatory Compliance	Public Sector	Military & Veterans
Unify Authentication	Multi-Factor Authentication	Healthcare	First Responders
Access Management	Omnichannel Identity Verification	Retail & eCommerce	Teachers
Identity Verification	Privacy-by-Design	Employment & Background Checks	Students
Credential Validation	Customer Controlled Data	Automotive	Nurse & Medical
Login Security	Sharing	Travel & Hospitality	
	Preventing Identity Theft & Fraud	Financial Services & FinTech	
		Ticketing & Entertainment	

Resources

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)

- Privacy

Security

Permissioned Marketing
- Announcements

White Papers

Press Releases

Company

Company

- About Us

Team

Careers

Press

Developers

- Documentation

Design & UX

Tutorials

Technical Support

Developers

Back to ID.me

This website utilizes technologies such as cookies to enable essential site functionality, as well as for analytics, personalization, and targeted advertising. [Privacy Policy](#)