ID.me Presents Barriers for Low Income People Seeking Unemployment Insurance and Other Government Benefits

During the early days of the pandemic, fraudulent filings in the unemployment insurance ("UI") systems around the country reached epidemic proportions. States tried in vain to implement identity verification procedures on the fly, to make sure they were paying claims filed by real unemployed people. Into the breach stepped ID.me, a company providing digital identity credentials that promised to screen out fraudulent claims but "leave no identity behind."

Since then, ID.me's influence has increased, as numerous federal departments[1] and scores of states have signed on for its services. In addition to unemployment benefits, ID.me prominently has been used in the new Advance Child Tax Credit program. Unfortunately, thousands upon thousands of identities of low-income people, the elderly, immigrants and other disadvantaged groups (referred to by ID.me as "last frontier individuals") have in fact been left behind.

This issue brief reviews the barriers created by ID.me for disadvantaged groups within the context of Pennsylvania's unemployment benefit programs as encountered by legal aid staff representing their clients. These obstacles primarily are either technology barriers or lack of accepted identity documentation. The paper not only explores the specific problems encountered by ID.me users in UI programs and potential solutions to them, but also a more fundamental understanding: **A digital identity credential should not be required to access UI benefits, so long as applicants provide adequate evidence that they are who they say they are.**

ID.me Digital Identity Credentialling

ID.me is a security vendor that verifies identities through approval of government ID and other identity documentation uploaded on its computer app. When the uploading of documents alone is not successful, ID.me provides the backstop of a "trusted referee" available by videocall to resolve the matter.[2]

ID.me has described the digital credential that it has established as "trusted, portable, secure." The concept is for a person to establish the credential once, for repeated use in multiple government programs and other contexts.[3] Such broad usage requires a high level of reliable proof to create the credential.

ID.me applies standards for identity proof and authentication developed by the National Institute of Standards and Technology ("NIST"), an agency of the U.S. Department of Commerce. NIST standards set the baseline for acceptable verification, which is fairly demanding and non-negotiable.

For verification,[4] ID.me requires either two "primary" documents[5] (government issued ID) or one primary and two "secondary" documents.[6] **Notably, a person without a government issued ID cannot meet these standards.**

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[1] These federal agencies include the Department of Labor, Department of the Treasury, Veterans Administration, and Social Security Administration.

[2] Until recently, ID.me users also had the option of answering questions about their credit histories to verify their identities. This option has been abandoned as being subject to fraud.

[3] They analogize their credential to a Visa credit card or a driver's license.

[4] The documentation requirements are laid out at https://help.id.me/hc/en-us/articles/360017833054.

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Period. Full stop. In addition, ID.me may require proof of social security number ("SSN"),[7] proof of name change, and proof of address.

ID.me's digital credentialing generally requires the applicant to have a cell phone or computer/tablet with webcam. A borrowed cell phone can be used, but by a difficult process which includes getting permission to install ID.me's authenticator app on the borrowed phone.

The steps for online verification include the following.

- Creation of an email address (if the person has none).
- Creation of an ID.me account.
- Set-up of multi-factor authentication (MFA).
- Generation of a recovery code.
- Photographing of documents and uploading them to the app.
- Taking of a "short video selfie."
- Confirmation of personal information.
- In cases with complications, waiting for and talking with a "trusted referee."

Clearly, the document requirements and the technology requirements present a series of barriers that must be overcome for ID.me verification to be successful.

ID.me in Pennsylvania's Unemployment Benefit Programs

In April 2020, Pennsylvania implemented its Pandemic Unemployment Assistance ("PUA") program, an emergency program created by the federal government to provide unemployment benefits to workers not covered by the state's traditional unemployment compensation ("UC") program. Within months, PUA was beset by hundreds of thousands of fraudulent claims, many filed from outside US borders. State officials responded by requiring PUA applicants to upload identity verification documents on their online PUA dashboards, but the overtaxed UC system lacked even remotely adequate staffing to review and approve the documents.

The state concluded that ID.me was the solution to this dilemma. It was convinced by ID.me's promise of "no identity left behind" and determined that ID.me was the "gold standard" in identity verification. On October 1, 2020, Pennsylvania announced a contract with ID.me.[8]

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[5] Examples of primary documents include: driver's license or state ID; passport; military ID; permanent resident card; employment authorization card; veteran's health ID card; Transportation Security Administration ("TSA") ID card; Department of Homeland Security ("DHS") trusted traveler cards; and certificate of naturalization. We have been told that the municipal ID issued by the City of Philadelphia will also be accepted.

[6] Examples of secondary documents include: credit card; health insurance card; social security card; DD214 certification of discharge or release; US birth certificate; school ID with photograph; voter registration card; school record or report card; clinic, doctor or hospital record.

[7] Accepted documents for proving SSN include (if they contain the SSN): social security card; DD214; W-2 or 1099 Form; bank or financial documents; pay stub.

[8] Although at first only PUA applicants were required to use ID.me, that mandate was later extended to PUA recipients to continue to receive ongoing funds.

By November 30, 2020, the state had sent out around 400,000 messages to PUA applicants providing a link to ID.me. **Of these, only around 50,000 identities, or 12.5%, were verified.**

Among the 87.5% of the cases that were not verified, the state and ID.me were unable to separate fraudulent claims from legitimate ones where PUA applicants either were unaware of the requirement to use ID.me or unable to use it. Legal aid staff representing legitimate PUA claimants had large numbers of clients who had not been able to verify. Moreover, concerns about ID.me reliability were exacerbated by recurring cases where applicants had proof of verification from ID.me, but that information was not processed by the PUA program so that their benefits would be released.

In September 2021, the state issued hundreds of thousands of PUA disqualification determinations for failure to verify identity.

On the UC side of Pennsylvania's operations, the state implemented a new digital platform for the filing and administration of UC claims on June 8, 2021. Known as "Benefits Modernization" ("BenMod"), the new software was similar to that used in the PUA program. Unfortunately, the same onslaught of fraudulent claims-filing began in the UC system as BenMod went into effect.

On July 16, 2021, the UC program also began requiring identity verification through ID.me for new applications. The following week, it implemented ID.me for continued weekly claims. Because ID.me was embedded in the application for UC benefits, a new application could not be filed until ID.me had been successfully used. **By September 15, 2021, 12,908 attempts to use ID.me in the UC system had resulted in failure.**

Again, it is not known how many of the failed attempts were fraudulent claims and how many were failures by legitimate applicants. But again, legal aid staff received large numbers of cases where real people had been unable to establish their identities through ID.me.

Obstacles Encountered by Pennsylvania Unemployment Benefit Claimants

ID.me's own writing acknowledges technological barriers in certain demographic groups, especially low-income persons and seniors.[9] In addition to those groups, legal aid staff have encountered these barriers to ID.me use among immigrants and people with limited English proficiency.

> 1. **Limits of users' technology**

Commonly, our clients simply do not have the technology required to use ID.me. Many of our clients do not have smartphones and are even less likely to have computers. The lack of technology often leads them to try to use others' smartphones, which is problematic for getting MFA codes needed to complete the process.

Other technological problems we have encountered include:

- Inability to use phones not bought from major vendors (a problem usually arising among immigrant users);
- Sim cards that don't work with ID.me;
- Pre-paid phones, which do not work with ID.me.

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[9] ID.me, *No Identity Left Behind: Enabling Access for All with Call Center and In-Person Identity Proofing* (2018).

2. Limited user technology skills

Even for those who have or get access to the needed technology, they often lack the necessary skills to use it in a manner that results in their verifying their identities through ID.me. Their problems may start at Step One, with needing to set up an email address. For a large number of our clients, the MFA process is entirely unfamiliar and presents an insurmountable barrier. They may be unable to photograph documents and upload them. Documents and selfies even are rejected if the images are "blurry."

For people who lack computer or smartphone skills, the ID.me process requirements, taken as a whole, are daunting. Even people with significant computer skills have reported needing an hour to complete the process. Those without those skills ultimately abandon the process in frustration.

These challenges are exacerbated by language in the app that is unnecessarily technical or complicated, making it harder for disadvantaged persons to understand. Consider the following instructions;

> "When you have set up MFA in your ID.me account, you begin the sign-in process with your email address and password, then you will also enter additional credentials – often, a verification code, which has been sent to a trusted device, sometimes via a trusted phone number."

In addition to the language used, the app design is not easy enough for users such as people with limited English proficiency to follow.

3. Lack of required documentation

As noted, a person CANNOT establish identity verification through ID.me without a government-issued ID. This is the step at which many of our clients' ability to use the app will grind to a halt. Moreover, none of the documents are accepted if they are expired. This makes little sense. While an expired driver's license does not permit the person to drive, it does not change the fact that it proves the person's identity.

Moreover, the complications of proving identity are amplified when a person is asked to also prove social security number, address change, or name change.

4. Inability to get help from ID.me

ID.me currently does not provide access to live help except through its "trusted referee" option. ***Unfortunately, people can't get to the trusted referee unless they have uploaded acceptable identity documentation!*** This means that the very processes for which people need help may screen them out from getting help.

For those fortunate enough to get into the trusted referee queue, the wait can be daunting. We have had clients wait many hours. Other times, clients have been told there would be a wait of a few minutes, only to have to wait almost an hour.

ID.me also has "member support" by messaging. But this source of potential assistance can be very difficult to find in the app, and there have been long delays in receiving a response. For instance, one person who submitted a request for help on July 30th was still waiting at Labor Day and beyond.

ID.me indicates that they are exploring the future possibility of phone or live chat in some states.

ID.me also states that users can select languages other than English. However, such an option is not easily seen by users. ID.me contends that it is working on improving its language options.

> **"Extremely difficult and tedious to complete."** A legal aid paralegal helping an unemployment benefit client with ID.me tells an all-too-familiar story.
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> Assisting a non-English speaking client with verifying her identity through the ID.me program was very difficult and took nearly 2 hours to complete. First, we were unable to verify her identity through her PUA portal link. After we created an ID.me account, the page did not provide an option to verify her identity. We ended up verifying her identity through the Treasury's CTC portal.
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> As we began the process, the first roadblock was that all the links sent to her phone did not work. We eventually guessed that they didn't work on data, and we were more successful when we got the phone connected to WIFI. While my client had many forms of documentation on hand (a valid driver's license, a valid green card, a social security card, and an insurance card, all with correct and matching information), her verification was repeatedly denied due to her phone number (though it is her only number). We tried multiple times, and each time the final page told us that she wasn't verified but did not provide the option to join a video call. I had to hunt around to find a link that would allow us to verify by trusted referee call.
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> We were given an 8-minute wait time for a trusted referee call, but the estimated waiting time remained on 2 minutes for about 20 minutes, so it took closer to 30 minutes to connect. Once we were able to connect to the referee, the process went relatively quickly.
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> The entire process was extremely difficult and tedious to complete, and likely would have been impossible if I didn't have previous knowledge of ID.me and the option for video call; didn't have access to WIFI and multiple technological devices; and didn't have access to a translator to communicate with my client.

What Are We Trying To Do Here, Anyway?

Doubtlessly, ID.me's identity verification helps screen out fraudulent claims. Unfortunately, for the very reasons that ID.me identified the need for a "no identity left behind initiative," its credentialling is not working for marginalized groups. As a result, low-income people, seniors and immigrants also are being screened out from getting UI (and other benefits) to which they otherwise would be entitled.

Rather than taking these false positives for fraud as a necessary evil, policymakers and advocates should step back and ask a fundamental question: **Knowing that marginalized people will be screened out of desperately needed benefits, do we need to require an iron-clad identity verification credential like ID.me verification in all cases?**

Clearly, the answer is no. ID.me recognizes that. They acknowledge that they will not be able to resolve all identity issues in UI claims and that those cases should be escalated back to the state program. That redirection allows a person's evidence that they are who they say they are to be accepted even if it does not meet the demanding NIST standards.

Again, going back to fundamentals, **the issue is whether the person is who they say they are, not whether they can produce perfect identity verification paperwork or successfully use a complex computer app.** In the UI context, there are several ways that claimants should be able to prove their identity.

- **There should be an ID.me offramp.** ID.me should not be the sole method of identity verification. In Pennsylvania, capacity has been built in the Career Link (One Stop) system for workforce development professionals working as intermediaries to take UC claimants' documents and perform an eyeball

comparison between picture ID and the person in front of them. Going forward, Pennsylvania intends to replace the workforce development staff with UC staff who will be located in the Career Links, using "Equity Grants" (USDOL funding for "activities that promote equitable access to unemployment compensation programs…").

- **People should be able to prove their identities in UI hearings.** Isolating the correct issue is key. The question is not whether the person has supplied certain documents; it is whether the person has proved that they are who they say they are, based on a preponderance of the evidence standard.

Additionally, governmental programs should think critically about what functions require ID.me verification, rather than simply requiring it for all functions. For example, the Internal Revenue Service has a GetMyPayment Tool that allows people to find out information about where stimulus payments went that is not behind ID.me; that tool just requires inputting SSN/date of birth/address. Some program administration can be done with another tool with less rigorous requirements.

The incidence of real people being squeezed out of benefits to which they are entitled because of a new, unacknowledged requirement of digital identity credentialling should be revisited. Preventing fraud is a necessary goal. But at some point, the human cost of using such a tool outweighs the benefit of screening out some fraudulent claims.