

Biometrics and High-Trust Digital Identities

Creating opportunities for improved access, improved service and program ROI

Simplify • Protect • Secure



A little background

Strong Digital Identity Leadership



- Board positions on **IDESG**, **UT Center for Digital Identity** and the **AAMVA eID Working Group**
- Shaping **NIST** identity assurance guidance
- Working to establish **ISO** standards
- Building solutions that embrace the Identity Ecosystem Framework and **FIDO** guidance
- Executing 2 federal **NSTIC Grants** to leverage Digital Identity for state government

Challenges Facing Government

biometrics can make a difference

✓ People and agencies want improved channels of access including mobile and online.

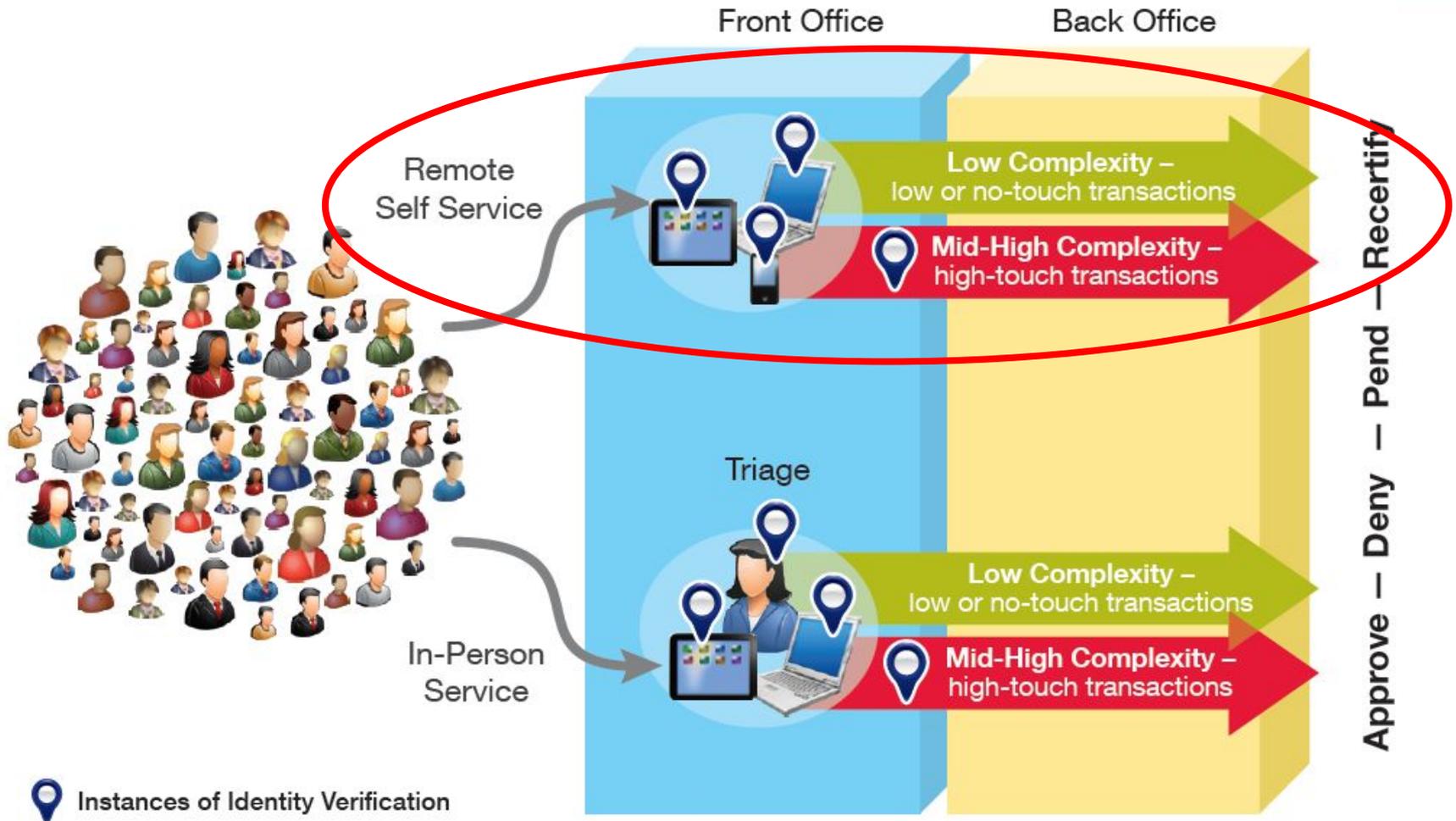
✓ High risk/value transactions are at risk and need to be secured to protect people and government budgets (i.e. Tax Refund Theft)

✓ Moving access to services online requires trust that people are who they claim to be. To date that trust is not attainable at reasonable cost.

✓ Traditional approaches are no longer getting the job done:

- Username/Passwords
- Knowledge questions
- Offline verification

Adding new ROI to DHHS Operations



The Challenge

Journey



The Challenge

Journey's Challenge

We quickly lose our traditional human means of evaluating and verifying identity



The Challenge

Journey's Challenge

In place of traditional means... we substitute



The Challenge

Journey's Challenge

Why substitute? Can't we transform what we already trust?



The Challenge

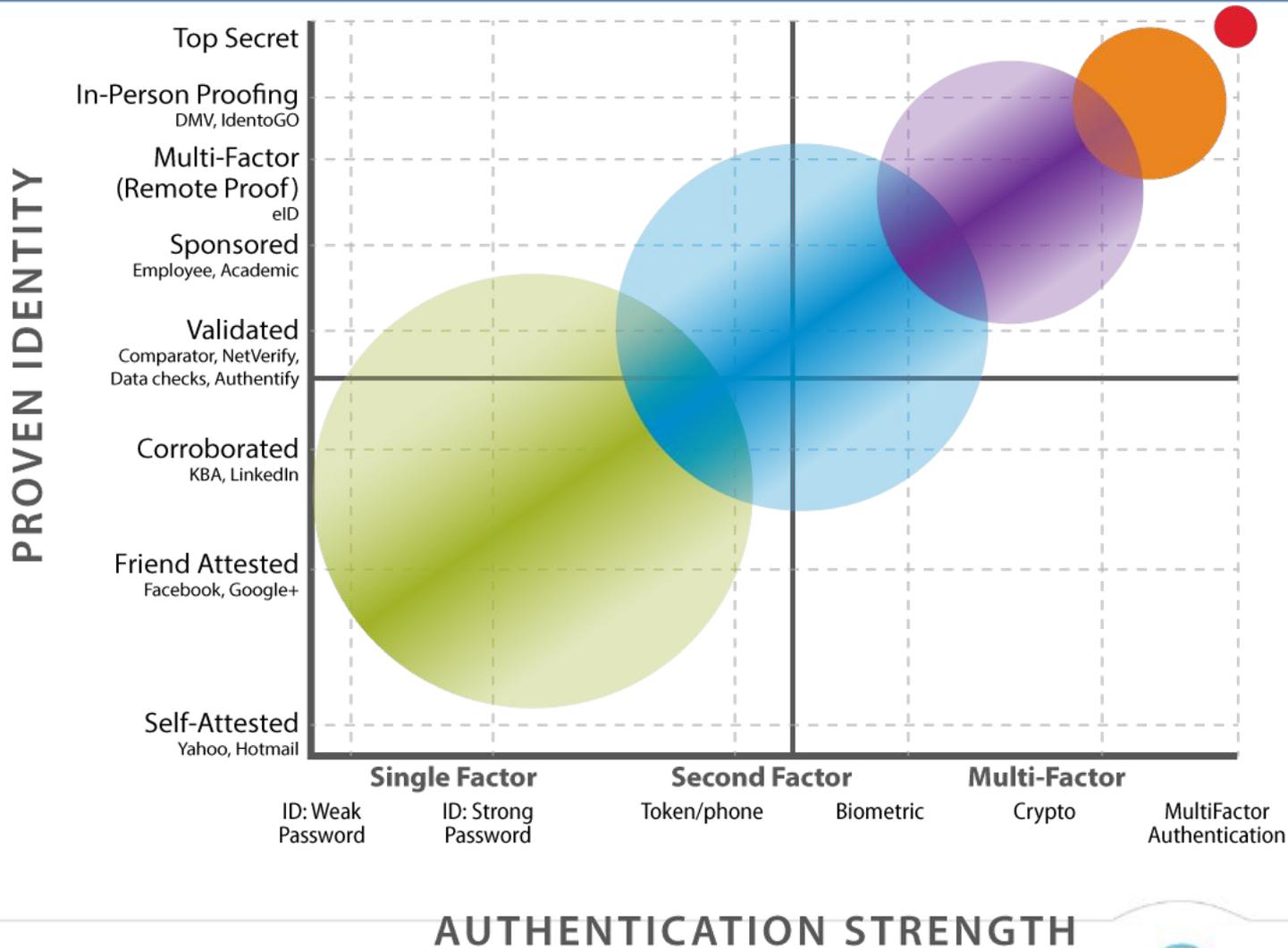
How can we transform our most trusted means of proving identity?

- Create **Electronic Identity (eID)** directly from our Driver Licenses for online use
- **Enhance trust** through standardized communications linking parties
- **Replace** physical visual verification with biometrics and multi-factor authentication
- **Build for the individual** we are trying to enable and protect
- Provide for **levels of assurance** (anonymous through definitive)



A growing concern...

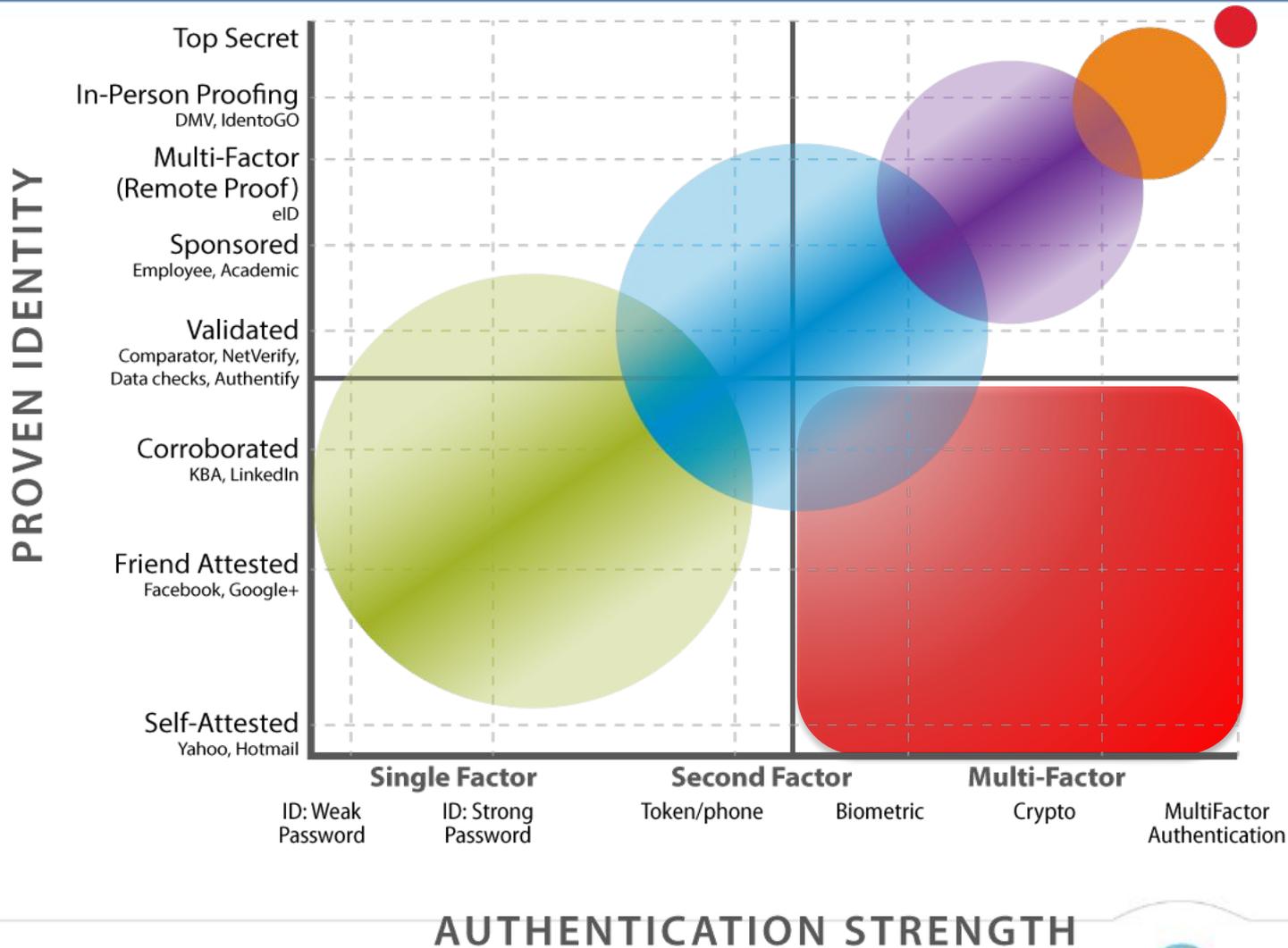
Balancing Authentication & Proofing



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A growing concern...

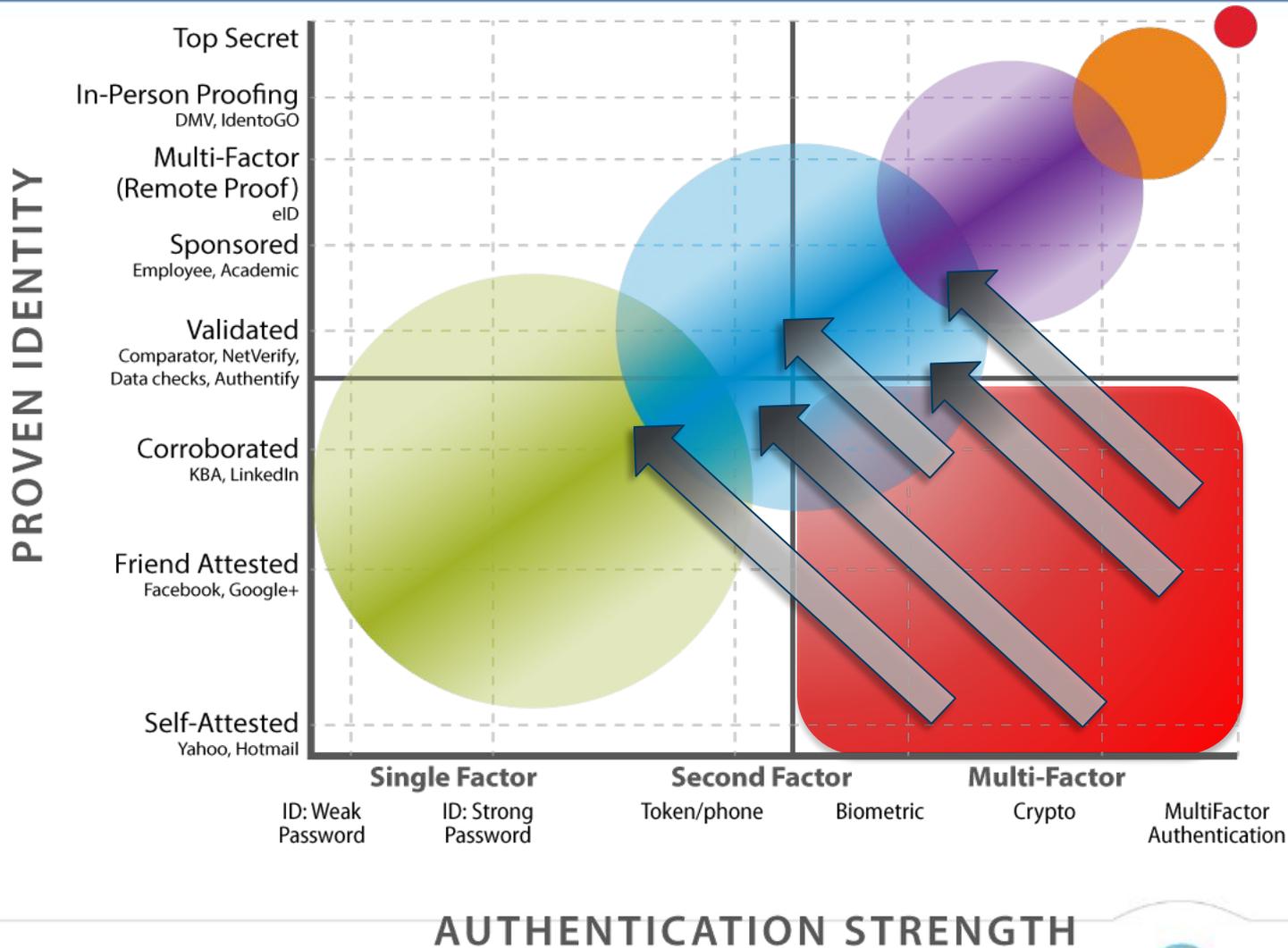
Balancing Authentication & Proofing



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A growing concern...

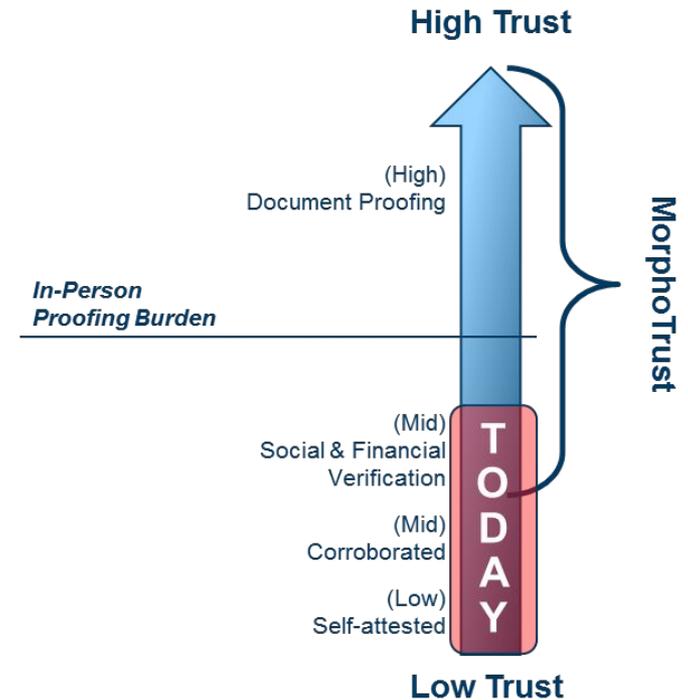
Balancing Authentication & Proofing



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Biometrics value is unleashed when they are present a proofing time

High trust digital identities are rooted in strong in-person identity proofing



Real world example: DMV in-person ID proofing enable online eID trust

Physical World



In-Person ID Proofing



Secure Credential Issuance

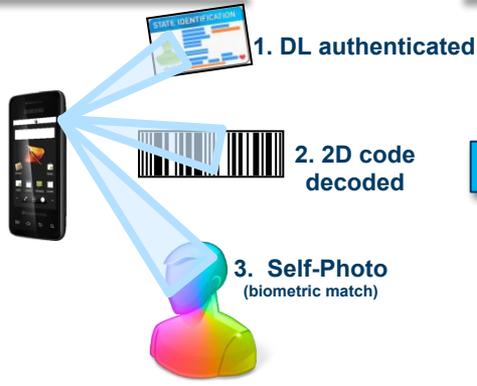


In-Person Uses

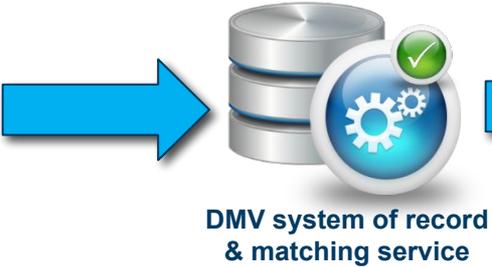


Online eID

eID Registration



Biometric & Demographic Authentication at DMV



eID issued & ready for online use



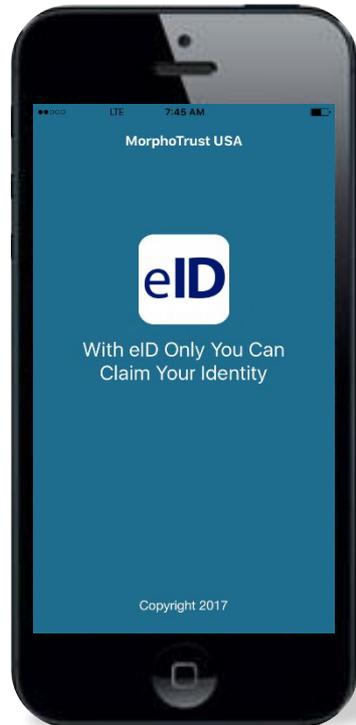
"Cert-based & Interoperable"



Our example of biometrics in action

MorphoTrust® eID is an online ID, issued by MorphoTrust and authenticated by state MVAs to simplify and protect online transactions. The eID delivers a trusted digital credential that consumers can use to facilitate trusted transactions.

Our example of biometrics in action



The eID is the 1st and only service allowing consumers to create a personal online credential by authenticating themselves against their MVA record.

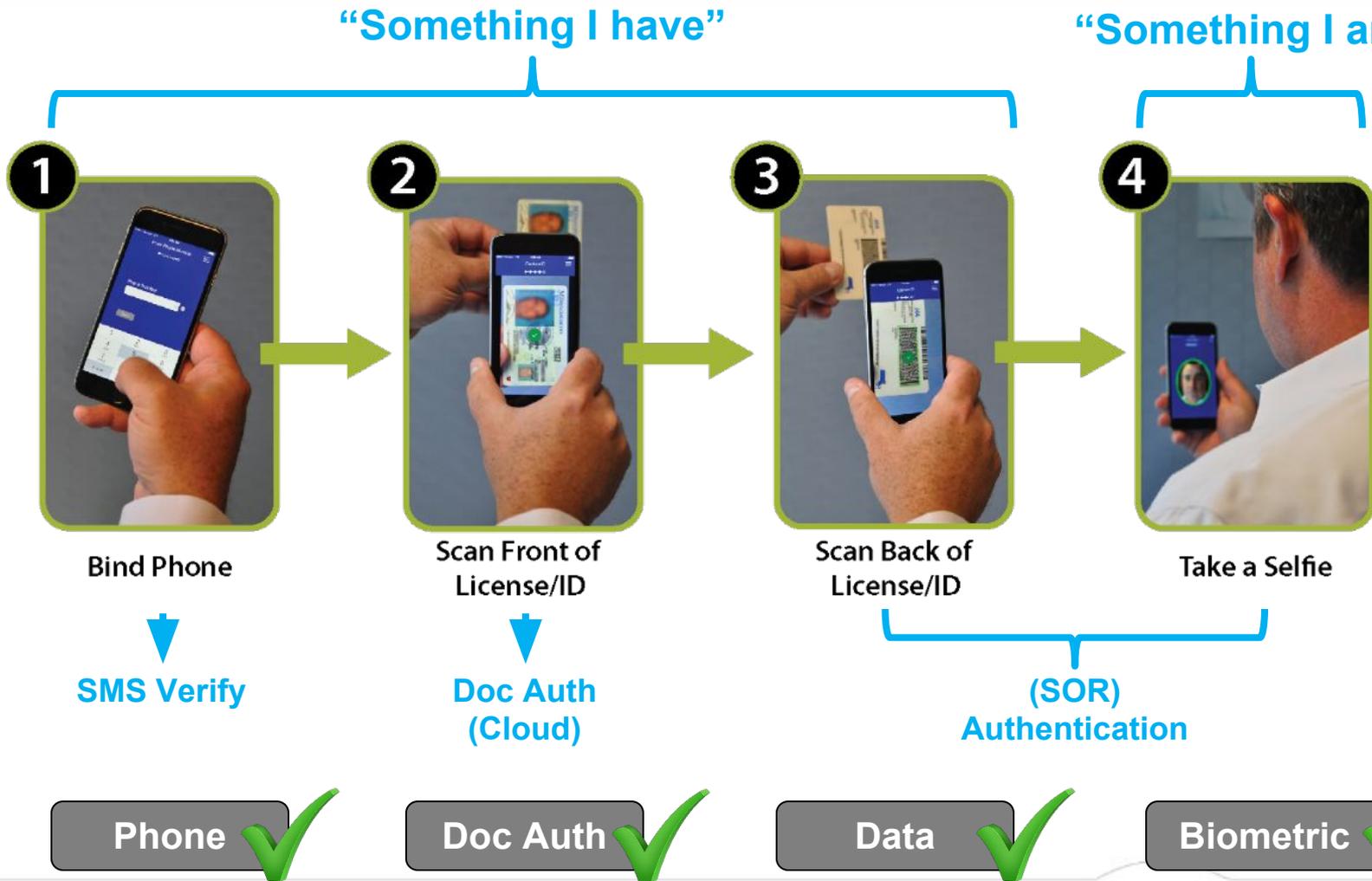
It's Personal:

- A highly trustworthy online identity credential
- Resides on an individual's smartphone
- Puts full control of PII in the hands of the individual

It's The Future:

- Accepted in lieu of traditional Usernames/Passwords
- Enables the future of identity in which users choose which credentials they want to use
- Minimizes the number of times an individual's PII is copied and stored across the internet... reducing breach risk

Leveraging Strong Identity Proofing



biometrics securing online business



1 Open with selfie



Biometric Unlock ensures the person holding the phone is the same that registered for the eID

2 Go to relying party login screen on computer



3 Click on eID button

4 Scan QR code to gain access on mobile phone



Real-time or Transaction-time value

Multiple Means of Delivering Value:

1. Active Web Navigation

- ✓ Securely login to a state portal (i.e. DHHS, DOR, DOT...)
- ✓ Complete online forms without extra steps identity verification steps
- ✓ Step-up trust level for highly sensitive actions (i.e. biometric)

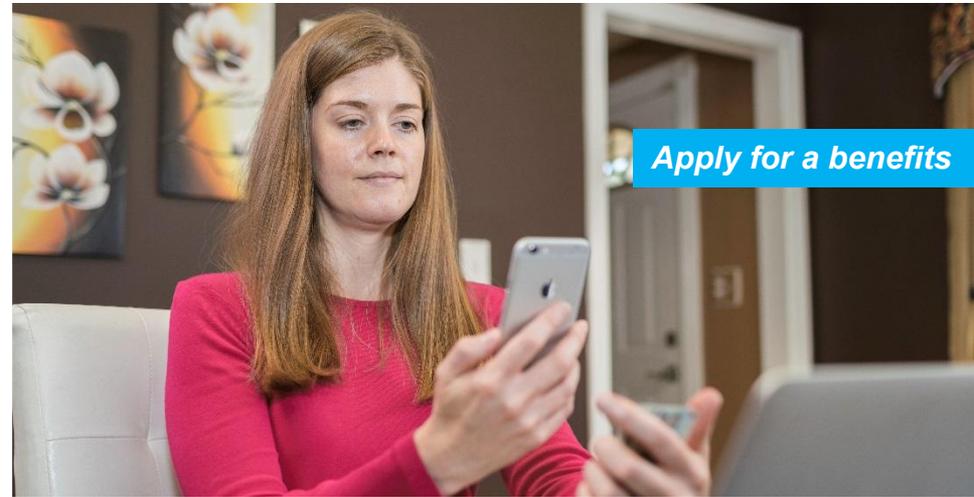
2. Securing specific transactions that may happen at any time

- ✓ Restrict a transaction from happening without consent
- ✓ Authorize an action or transaction
- ✓ No timing restrictions

eID Use Cases



Make secure online purchases



Apply for a benefits



Approve your state tax refund filing



Make High Trust Banking Transactions



eID Tax Use Case - Program Spotlight

GA & AL DOR in partnership with GA DDS & ALEA (their driver license issuing agencies)

Problem: Fraudsters are stealing tax refunds (>\$20B per year)

- Up to this point, there's been no true way for the taxpayer to prove their identity online and/or lock down their tax account
- Fraudsters file fake tax returns in advance of the actual taxpayer
- Federal & state governments pay within 30 days but take months to match financial data
- Governments lose money to fraudsters and still have to pay taxpayers after the identity theft is remedied
- Agency's fraud detection tools are outdated or insufficient

Our Solution: Authenticate taxpayers against their trusted MVA Record

- Taxpayers download the eID app, scan their DL/ID and take a selfie to register for their MorphoTrust® eID
- MorphoTrust uses the DL/ID and selfie to authenticate against the MVA (in this case GA DDS or ALEA)
- Upon registration, taxpayers visit their DOR's website to opt-in and lock their account with their eID
- Once a tax refund is filed, the DOR sends a notification to the taxpayers eID app on their phone, asking them to approve or deny the claim filed.

The Contract: In the case of Alabama - ALEA pays \$250K per year per agency

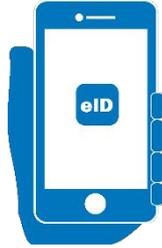
- FREE to taxpayers
- AL agencies sign-up for \$250K/year or go statewide for \$1.25M/year (15% share)
- MorphoTrust can use AL user base for other commercial transactions
- Piloted by AL DOR employees | Release scheduled for Q1 (active through this tax season)



eID Tax High Level Workflow



Download App
Register for eID
Enroll into Tax
Protection Program



Download



Scan Front & Back
of License

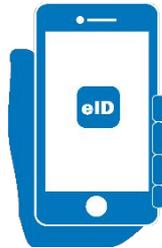


Take a Selfie



Scan the QR code/
Enroll

Opening App
Using the eID



Click on Icon



Take a Selfie



For Tax
Authorization
Request



Accept (or Deny)

Media recognition of value

The Washington Post

5/06/16

Companies are betting on a new way to protect your identity: the selfie.

The selfie is about to get serious.

Already ubiquitous at parties and for capturing Instagram-worthy landscapes, the act of raising a phone to your face and finding the perfect photo angle could take on a whole new role in people's finances. Some banks, tax agencies and tech companies are making the selfie an integral step for people checking their bank accounts, shopping online and filing tax returns. [Read More](#)

The Boston Globe

5/29/16

Take a selfie, then file your tax return

Tax refunds have turned into a gold mine for cybercriminals, who each tax season unleash a slew of scams and phishing expeditions aimed at claiming billions in phony refunds.

In 2013 alone, the Internal Revenue Service estimated that it paid out \$5.8 billion in fraudulent refunds, even as it prevented \$24.2 billion in payments from going to criminals.

Could a selfie be the answer to curbing this multibillion-dollar fraud problem? [Read More](#)

Forbes

9/15/16

Fighting Tax Related ID Fraud With Your Cell Phone, One Selfie At A Time

Identity theft tax refund fraud is an expensive problem in America. Last year, the Internal Revenue Service (IRS) received more than 1 million fraudulent tax returns and managed to stop nearly \$7 billion in fraudulent tax refunds - and that's just the feds.

The IRS and state tax authorities have been looking at ways to combat tax fraud while still ensuring that honest taxpayers have their tax returns processed (and refunds issued) in a timely manner. With that in mind, the Alabama Department of Revenue is hoping that new technology will help them stay ahead of scammers and thieves. All it takes is a cell phone. [Read More](#)

THE WALL STREET JOURNAL. 10/17/16

Companies Try Out Selfies as Password Alternatives

Selfies, long derided as a symbol of narcissism and oversharing, have found a more serious purpose.

Companies and government agencies—ranging from the ride-hailing service Uber Technologies Inc. and credit-card giant MasterCard Inc. to the Alabama Department of Revenue—are asking people to snap self-portraits on their smartphones as proof of identity. [Read More](#)

Adding new ROI to DHHS Operations

