

TruValidate™



REPORT

Reduce Benefit Enrollment Burdens

Keys to Successful Remote Identity Proofing and an Omnichannel Constituent Experience

Overview

Constituents often don't utilize government benefit programs they may be eligible for due to administrative costs like the "time tax" required to learn about a program, complete paperwork, gather required documents, and engage a government agency. Reducing this "time-tax" burden is a key part of the Biden administration's executive order on transforming the federal customer experience (CX) urging agencies to deliver modern, accessible and equitable services for all.

Private sector firms excel in delivering on-demand, omnichannel customer experiences that have shaped consumers' expectations. To make benefit programs more accessible, agencies have focused on the online availability of program education, benefit application, eligibility certification and support information. While agencies have improved CX and streamlined benefit enrollment and administration, there's room for improvement.

A recent report from the Office of Information and Regulatory Affairs (OIRA) in the Office of Management and Budget (OMB) identified 100 burden reduction initiatives across 20 federal agencies that simplified and streamlined benefit programs.¹ In many instances, programs improved access to populations and communities by enabling benefit enrollment online.

Unfortunately, online benefits administration cannot singularly improve CX, and can even introduce new burdens while opening programs to new digital fraud and abuse – as seen on an unprecedented scale during the government response to the COVID-19 pandemic.² To protect benefit programs while delivering more seamless CX, agencies need to mitigate the "time tax" related to remote identity proofing. To understand the scope of this burden and provide insight into mitigation, TransUnion surveyed consumers about their experiences, preferences and beliefs regarding enrollment in government benefit programs.

KEY FINDINGS

People value omnichannel benefit program experiences

60%

will call an agency when seeking information – nearly as many as will visit a website

Agencies need to invest more in online enrollment to meet demand

79%

plan to enroll in a government program in the next 3 years and want to do so online

Online enrollment can be streamlined to reduce remote identity proofing burden

1 in 4

planning to apply online are concerned about significant delays in accessing benefits



¹ OIRA, Tackling the Time Tax: How Federal Government is Reducing Burdens to Accessing Critical Benefits and Services, July 2023
² GAO, Emergency Relief Funds: Significant Improvements Are Needed to Address Fraud and Improper Payments, February 2023

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Omnichannel future of government benefit administration

Gone are the days of constituents trudging to their local social services, social security, unemployment or farm bureau office to apply for a benefit program. But that doesn't mean people have completely abandoned personal interactions with agency officials. In fact, the opposite is true. Constituents value an omnichannel experience that harmonizes online, mobile, call center, and in-person channels to help them get information and assistance needed to access benefits.



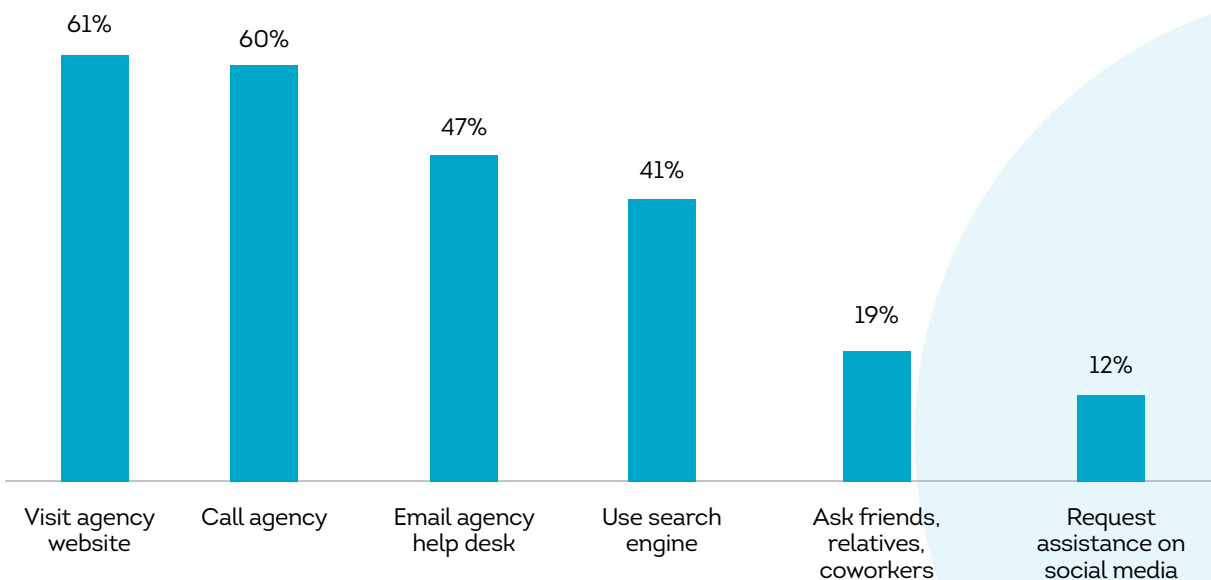
Constituents value an omnichannel experience that harmonizes online, mobile, call center, and in-person channels

Call center equally important to online channel for support

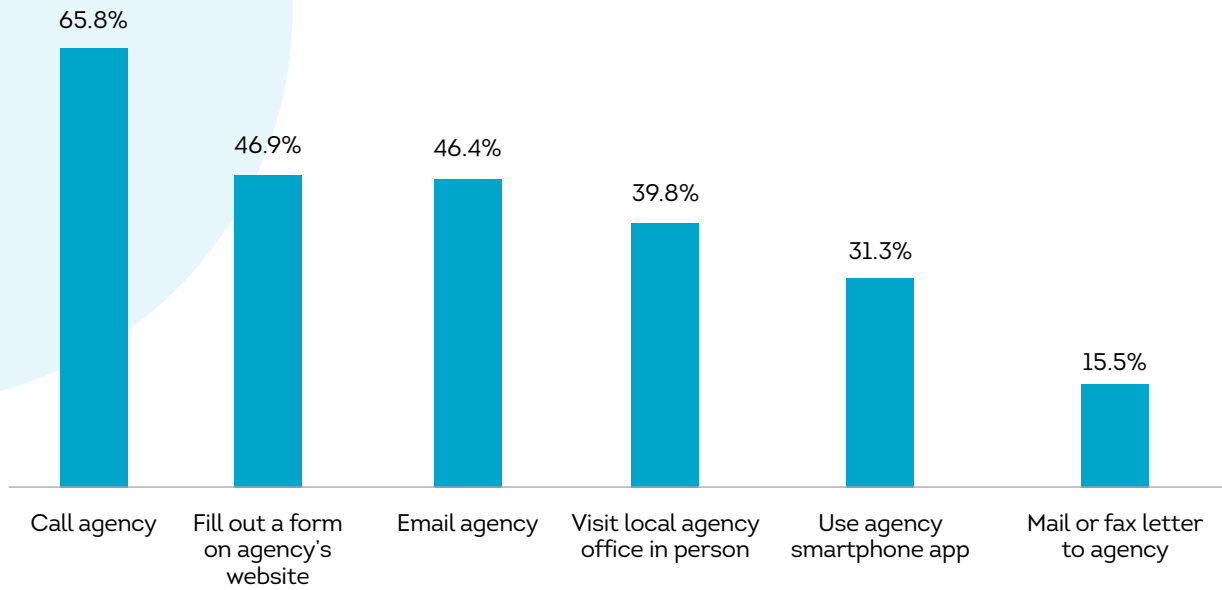
Nearly as many people seeking information about benefit programs will call an agency as will visit an agency website, 60% and 61% respectively. The call center channel is even more important when constituents are responding to unexpected communication delivered via postal mail: 66% indicated they would call the agency in response vs. less than half (47%) who would visit the agency website. Not only that, 39% indicated they would visit an agency office in this situation.

While people predominantly rely on agency websites for information, education, and benefit administrations, agencies should curate more seamless omnichannel experiences – especially in support channels – to drive CX initiatives. In its report, OIRA found the Internal Revenue Service (IRS) was able to hire new customer service representatives, enabling the agency to cut phone wait times in 2023 to 4 minutes compared to nearly 30 minutes in the previous year. Beyond expanding staffing resources, agencies can implement call tools and technology to introduce more time-effective automation and authentication procedures. When a caller identity is verified automatically before reaching customer service, agents can begin more calls by immediately diving into customer concerns.

Preferred sources of information about government benefit programs



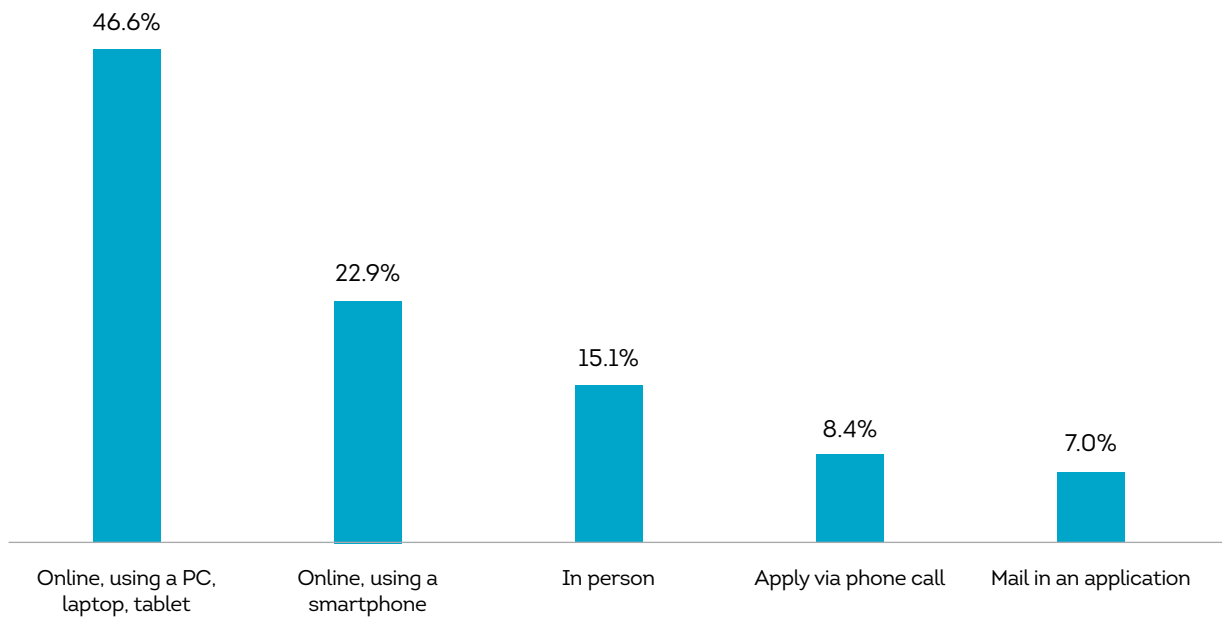
Channel used to respond to an unexpected notice in the mail from a government agency, e.g., bill or formal letter



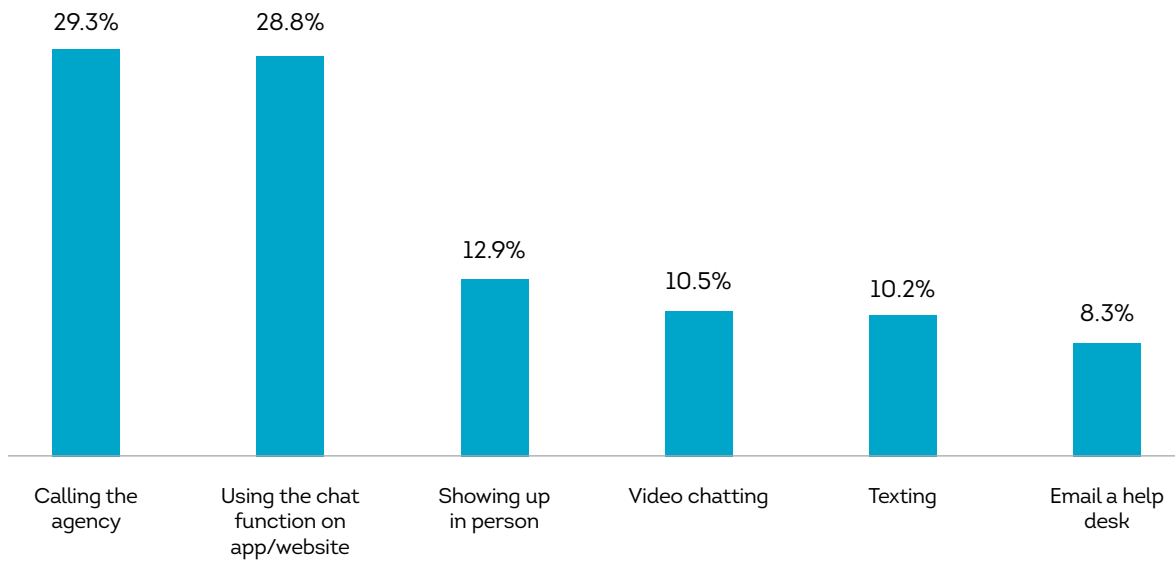
Online channel preferred for benefit enrollment

The only area where constituents have a clear preference for online services is when enrolling for benefits: 46% stated they prefer to apply online using a personal computer or tablet and 22% said they prefer online via a mobile phone. Despite this, if they run into trouble while completing an online application, they're equally likely to pick up the phone and call an agency for help as they are to use a digital channel, like a website chat function.

Preferred channel to apply for government program



Preferred channel to pursue help if struggling to complete application online

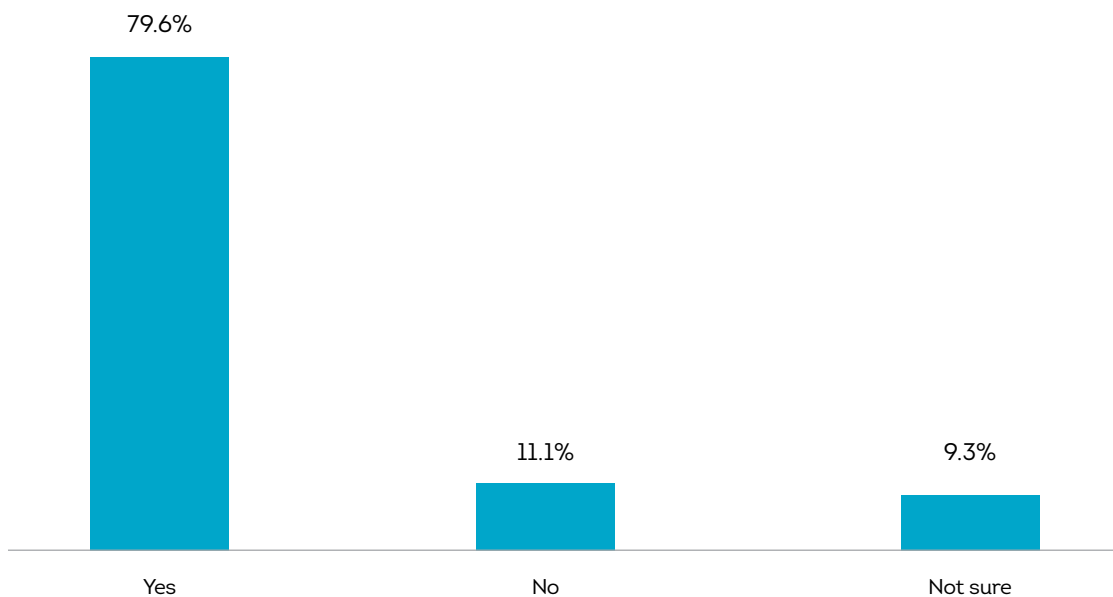


Investing to meet the demand for online enrollment

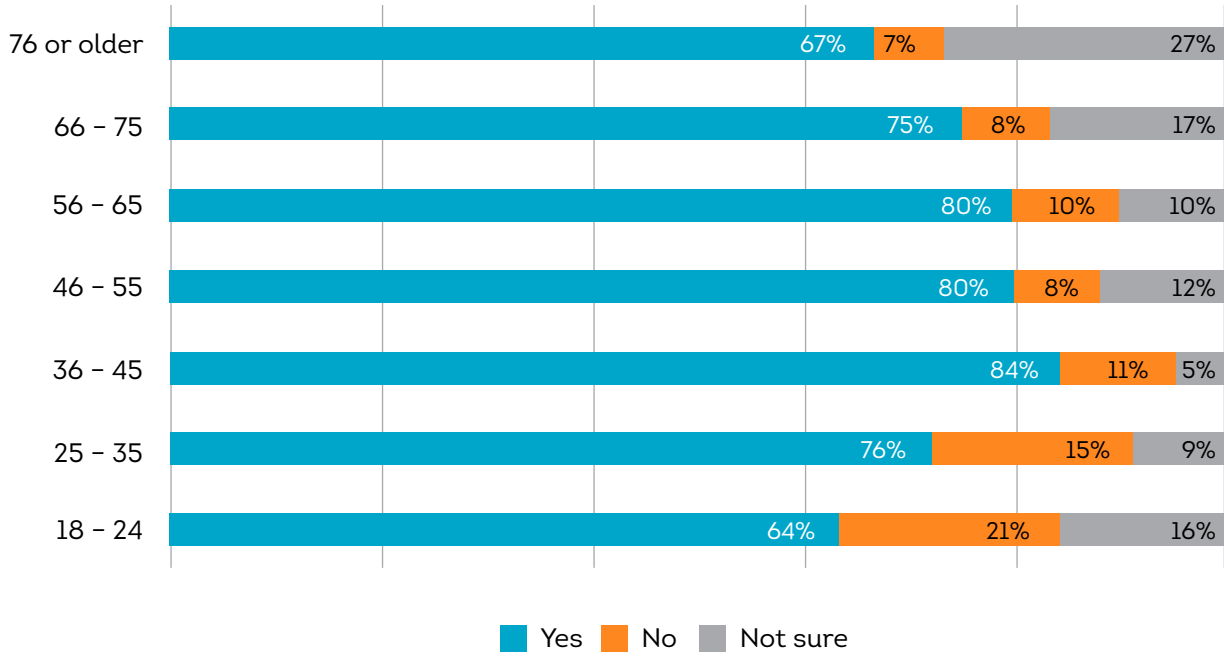
Most constituents (69%) were clear in indicating their preference for online channels when it comes to benefit enrollment. But even more constituents are actually planning to apply online. Overall, 79% of respondents who said they plan to enroll in a government program in the next 3 years intend to do so online.

This is a broad plan shared across age and income groups, which highlights both the demand for online government services and the need to design equitable, accessible experiences across demographic groups. It's important for government agencies to consider all aspects of constituent experience to support this demand for online benefit enrollment.

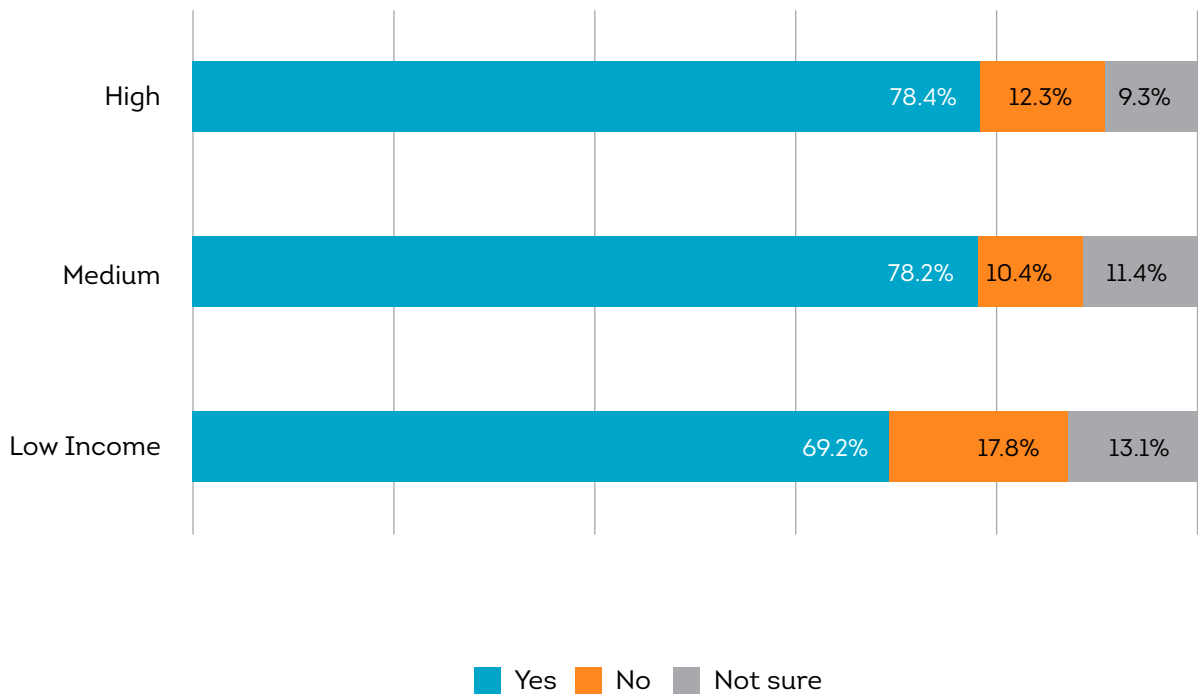
Plan to apply online for government benefits in the next 3 years



Plan to enroll in benefit program remotely in the next 3 years, by age



Plan to enroll in benefit program remotely in the next 3 years, by income



Evaluating administrative burdens in online enrollment

While there's been success in reducing administrative burden across many agency programs, online enrollment is ripe for evaluation given how important it is to constituents. Improving access by reducing burden in the online enrollment process involves both delivering on all aspects of the constituent experience, and instilling confidence and trust in the process.

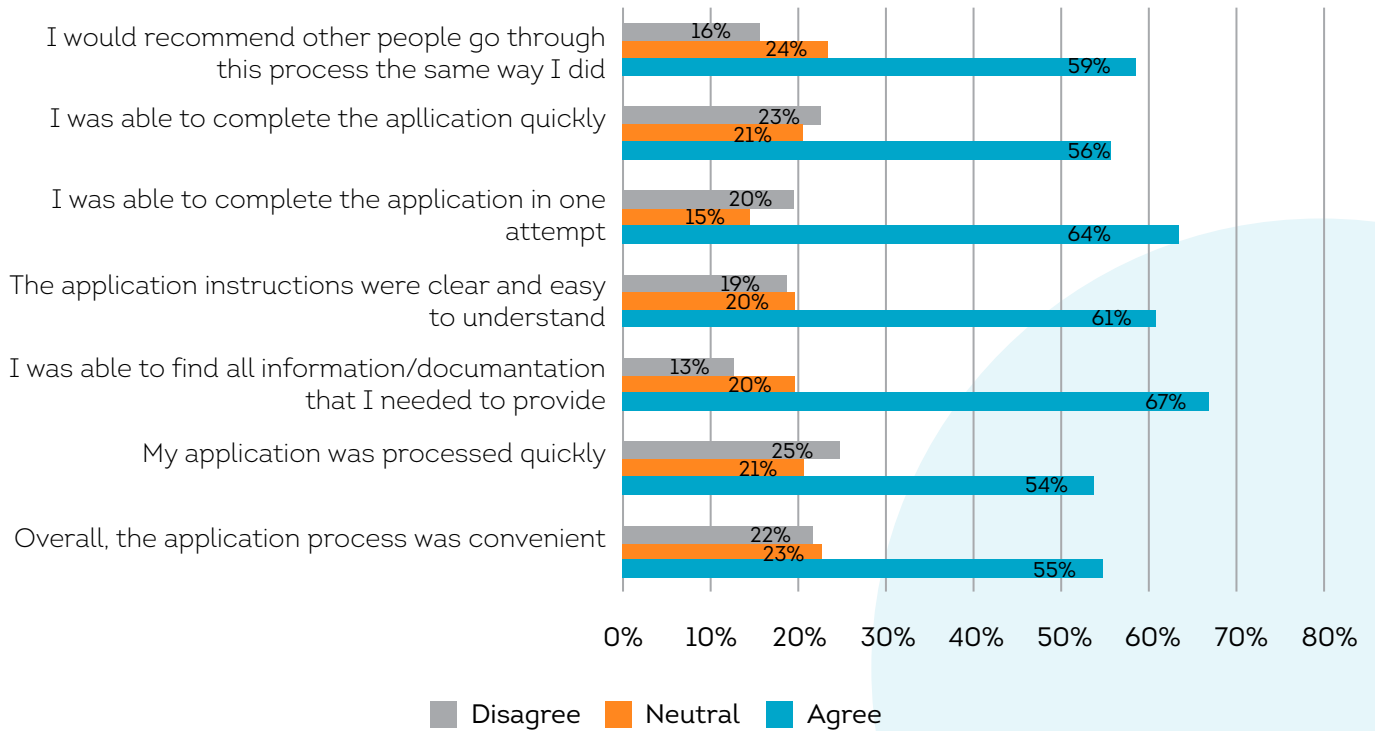


People who enroll online were more likely to report delays or denials, compared to respondents with in-person or phone enrollments.

Current online benefit enrollment is good but not great

The majority (59%) of respondents who've previously enrolled for benefits online said the application process was convenient. At the same time, 21% were not able to complete their application quickly. In addition, of those who've never personally applied online, 19% said the application process looks too difficult or confusing and 11% said they didn't have the documents required to apply. While agencies have improved the process through online enrollment, there's still work to do to broaden access.

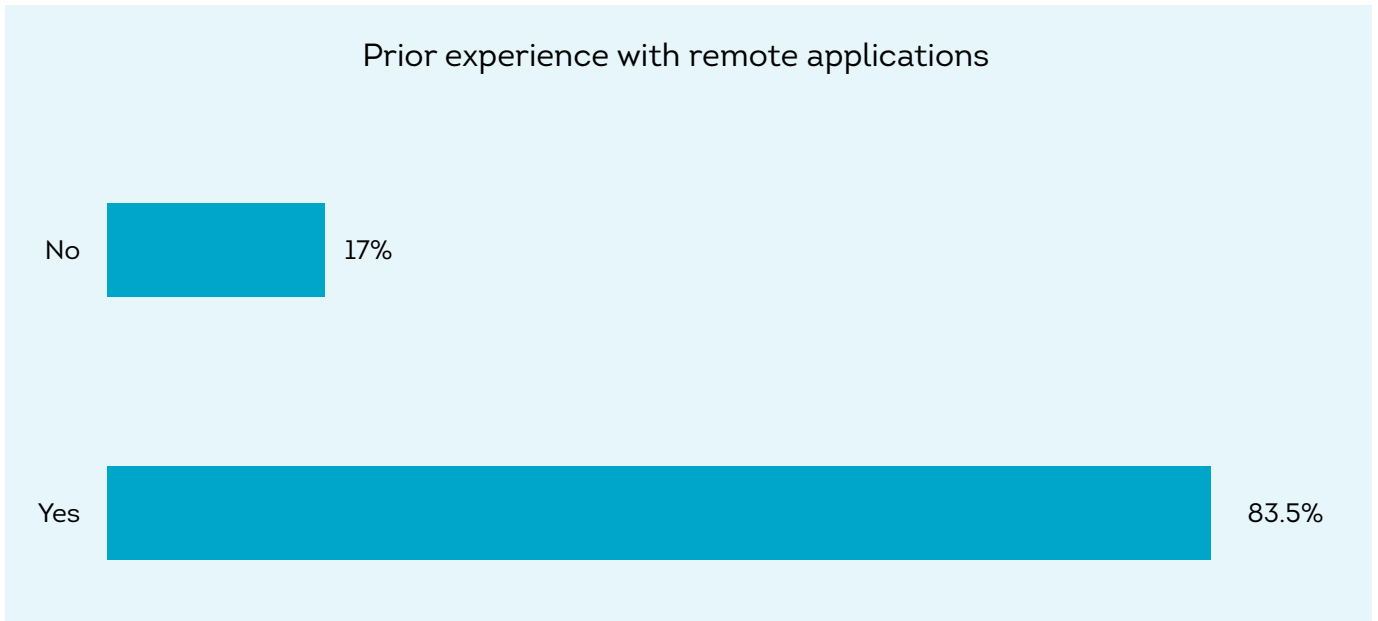
Experience with online government benefit enrollment



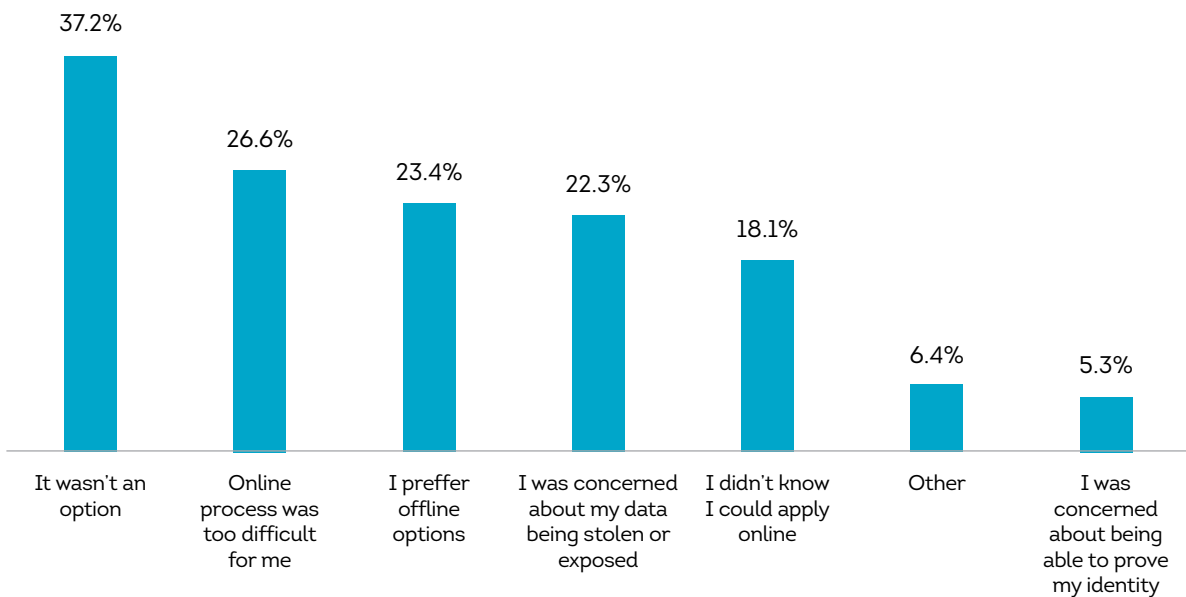
Some consumers have bypassed online applications due to perceived difficulty

Of those who've previously applied for government benefits, more than 80% did so remotely. Among the 16% of respondents that hadn't recently applied for a government program online, less than 25% said that was because they preferred offline options more.

For the remainder, lack of online avenues or difficulty following an online process meant consumers used a less convenient channel for engaging the government. Agencies have an opportunity to correct the notion their online processes are difficult, insecure, and/or unavailable.



Reasons why previous enrollment wasn't done remotely

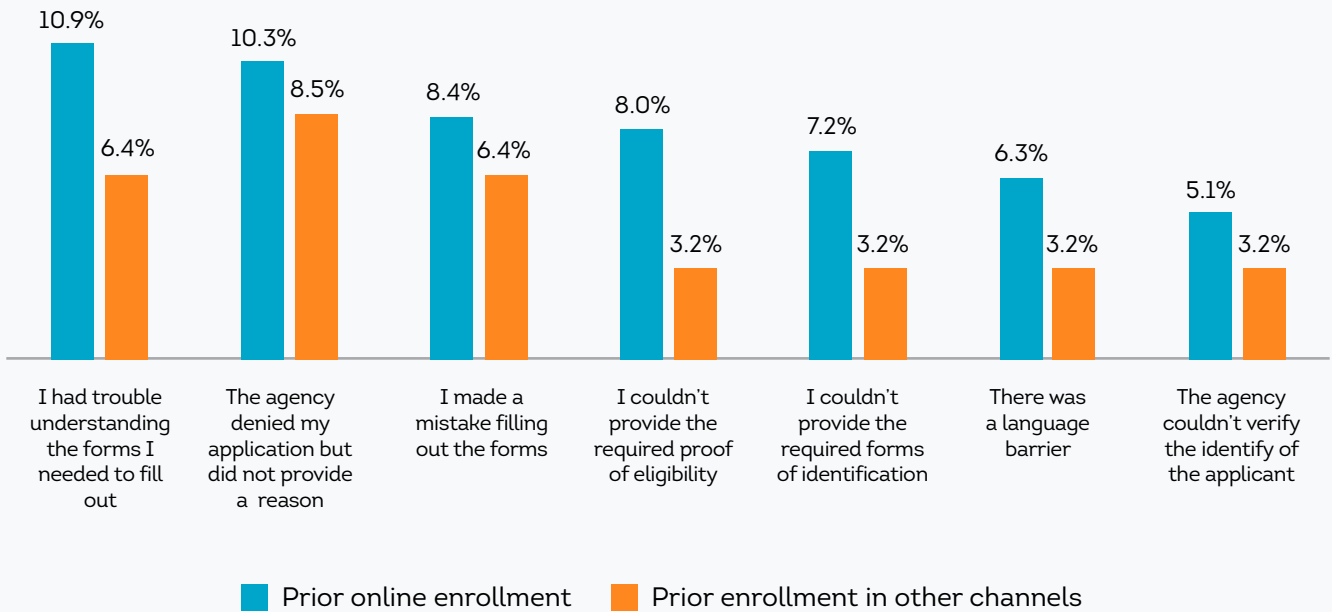


Online enrollment lags other channels in effective application processing

While most respondents found online enrollment convenient, people who enroll online were more likely to report delays or denials, compared to respondents with in-person or phone enrollments. The most significant areas of difference between online and in-person enrollment involved providing proof of eligibility (4.8 percentage-point difference), trouble understanding forms (4.5 percentage-point difference) and providing proof of identity (4 percentage-point difference).

Another 5.1% of respondents indicated the government agency couldn't verify their identity during their online enrollment process, particularly troubling for those who may benefit from a government program the most.

Reasons prior application enrollment was delayed or denied



People associate online identity verification with delays in accessing their benefits

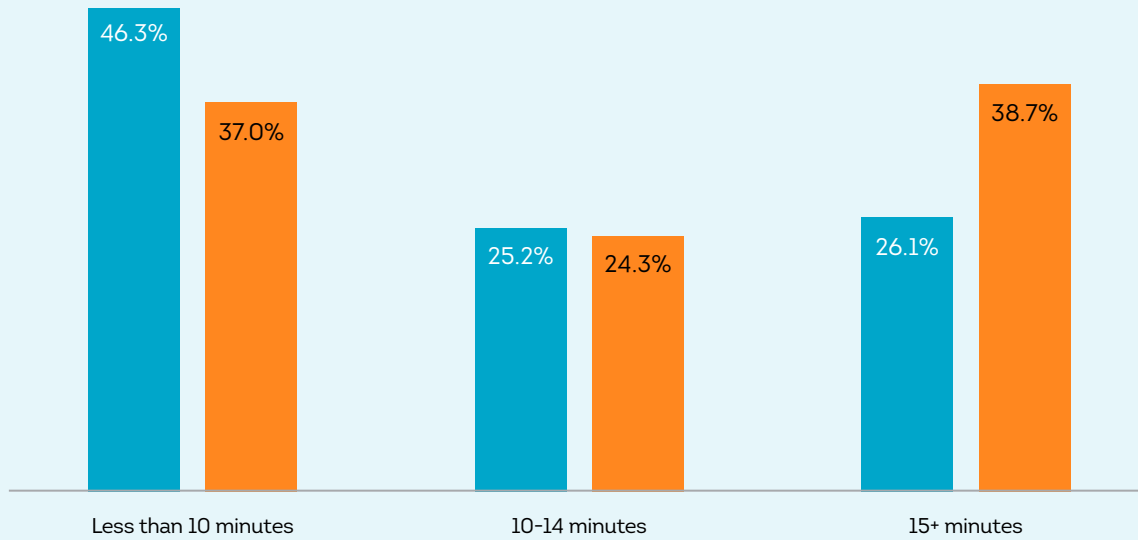
Despite a clear preference for online enrollment, that preference comes with some sense of trepidation regarding identity verification. Respondents noted a disconnect between expectations and reality regarding the length of time required to collect the information needed to verify one's identity during online applications. Nearly half (46.3%) of respondents would prefer to spend less than 10 minutes doing so, but just 37.0% of respondents with prior online applications indicated their experience met that expectation.

Not only did remote identity verification take more time than expected, about one in four respondents planning to apply for a government program online in the next 3 years said they were "concerned" or "very concerned" that identity verification could result in a significant delay in accessing that benefit or service.

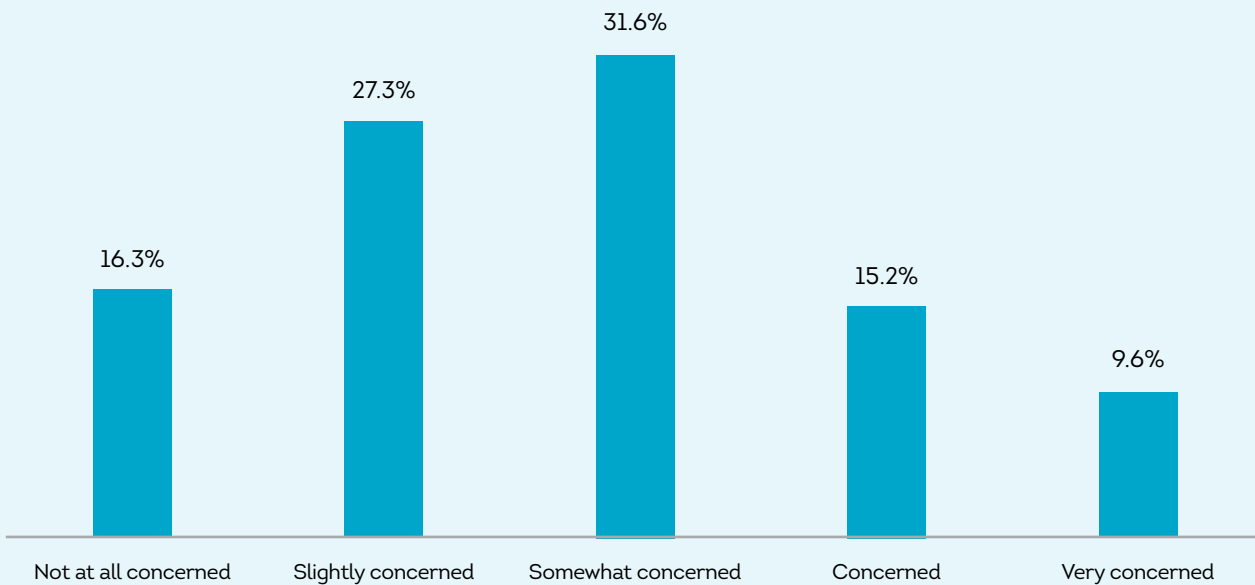
Experience versus expectations of online application identity verification



How long [would you be willing]/[did you previously] spend on proving your identity online?



How concerned are you online identity verification could cause a significant delay in accessing your benefits?



Streamlining online enrollment by reducing identity verification burden

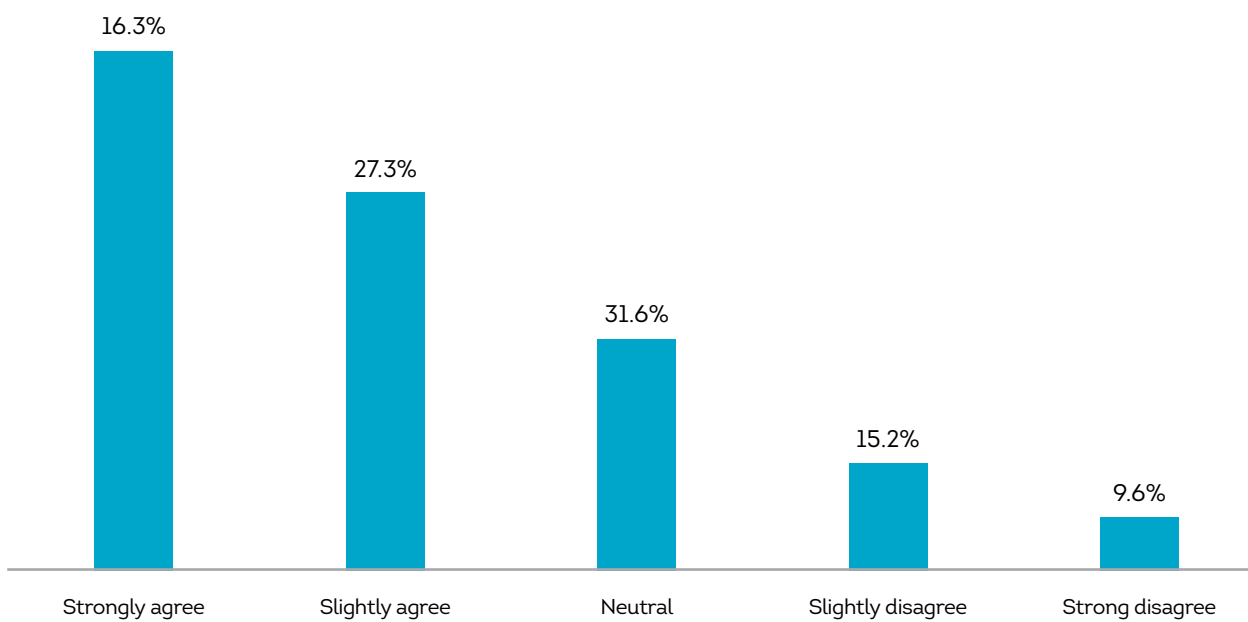
While online identity verification is clearly a burden to some who complete online enrollment applications, it's proverbial low-hanging-fruit. Constituents value the ability to verify their identity online and are willing to share the required information to prove their identity remotely.

Consumers prefer online avenues for identity verification to in-person ones

When asked specifically about identity verification – often the most cumbersome portions of an enrollment process – 70% of respondents prefer online options to in-person ones. However, agencies prepared to offer online ID proofing need to consider people's expectations regarding ease-of-use. A poor online experience may be worse than not having one.



I would rather have the option to prove my identity remotely than have to visit a government office to do so

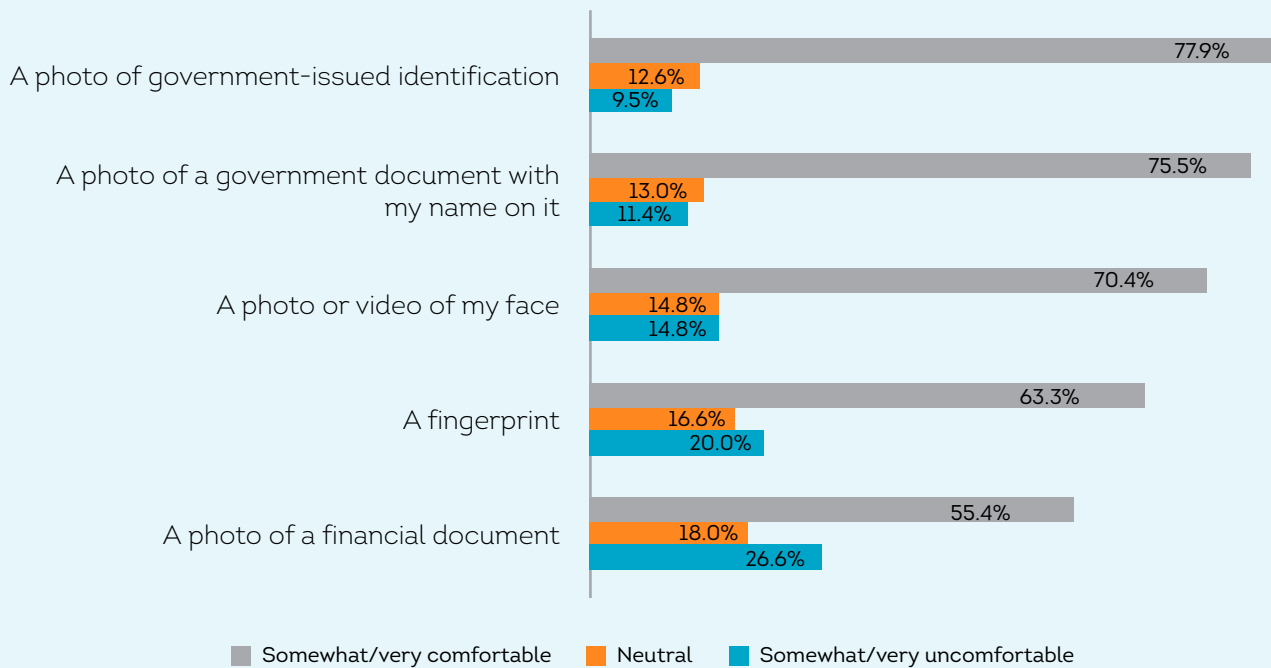


Constituents willing to provide necessary documentation for online identity verification

Most respondents were comfortable providing different forms of identifying information via a device like a PC, smartphone, laptop or tablet during an online enrollment process. They're most comfortable (78%) sharing a government issued ID and least comfortable (27%) sharing financial documents.

Agencies should consider biometric identity proofing carefully; respondents were more comfortable sharing a photo of their face than their thumbprint, 70% vs. 63% respectively. While people may be comfortable with sharing this data, agencies must consider the challenges involved with collecting this information from people remotely and ensure they have robust "help desk" procedures for struggling applicants.

Rate your level of comfort providing the following kinds of data to the government for online ID verification



Reducing administrative burden in online benefit enrollment

Current enrollment application processes can be further improved to meet constituent expectations.



While people prefer online, "on-demand" channels for enrollment, they expect robust on-demand services for navigating process inquiries and challenges.



The shift to online enrollment will likely also increase volume to agency hotlines and call centers, and agencies should prepare accordingly to reduce administrative burdens related to an omnichannel service model.



Especially for constituents with less traditional backgrounds, identity verification processes can be improved by using a variety of data sources for identity verification that reflects the diverse life experiences of an agency's constituents.

Bolster call center operations to manage constituent inquiries

Despite many agencies improving the availability of educational materials on agency websites, consumers with questions or concerns will use whichever channel is most convenient at the time to reach out to an agency with an inquiry.

That means applicants will continue to use call centers as an opportunity for recourse. It also means agency leaders need to work with teams in every channel, including call centers, to break down data siloes and ensure a consistent account authentication process is applied regardless of channel.



Consumers with questions or concerns will use whichever channel is most convenient at the time to reach out to an agency with an inquiry

Call center leaders should implement integrated inbound call authentication technology based on robust phone and device reputation. This allows applicants and recipients to seamlessly utilize both call center and digital channels without the risk of being inconvenienced by further scrutiny due to false positives.

For call centers, high-risk calls can immediately be routed for additional authentication or to fraud teams. It also allows trusted calls to move through to Interactive Voice Response (IVR) or representatives with little to no additional authentication

Invest more in online constituent experiences to meet demand

Agencies are still struggling to respond to the persistent digital fraud perpetrated during the coronavirus pandemic. Identity verification and authentication checks play a role in reducing fraudulent payments and costs associated with damaged reputations and recovery. However, agencies looking to improve digital constituent experiences must be aware of the balancing act between meeting demand while reducing fraud risk.

Agency performance means enabling enrollment and utilization for those eligible. This requires reducing friction for applicants and benefits recipients alike. Reducing friction for consumers provides increased confidence and convenience – confidence they can trust the agency will protect their personal data and deliver the digital experience they're looking for.

To increase confidence in consumer identities and reduce the need for additional verification, fraud leaders should utilize an identity graph. Use a solution that provides access to robust offline and online identity attributes like name, terrestrial address, email address and phone number. That identity data, artificial intelligence and machine learning (AI/ML) can be combined in a graph that continuously connects relevant identity attributes.





To increase confidence in consumer identities and reduce the need for additional verification, fraud leaders should use a solution providing access to robust offline and online identity attributes.

Leveraging identity graph technology for identity verification can help streamline new applications by reducing additional verification steps in the first critical moments of the user experience.

Leaders should focus on risk-based authentication – continuous assessment of the user session – to interrogate the user further if risk of fraud appears to increase. Agencies should implement multifactor authentication like secure one-time passcode, or OTP (for SMS, ensure evaluation for phone takeover risk), or an app-based push notification. They might also consider a seamless authentication process facilitated by device-based authentication.

Streamline online enrollment to reduce remote identity proofing burden

Concerns of benefits delays demand improving all the tools in the remote identity proofing toolkit. Using device reputation tracking (aka device fingerprinting) can help in assessing risk to reduce friction. But relying exclusively on device reputation is risky: Fraudsters often cycle through real or emulated devices to thwart the tracking of previously seen devices. Unknown devices may present a question mark to a device fingerprinting solution, leading to an increase in fraud risk, false positives and unnecessary friction. Without additional risk signals, there's no way to determine whether users behind new devices deserve a warm welcome or additional scrutiny.

Using additional risk signals or device proofing determines the trustworthiness of the device and the identity using it before authentication is initiated, potentially catching fraudsters early in the user journey to better avoid unnecessary downstream costs.

Device proofing extends identity verification for digital experiences by assessing the risk of the identity operating the device. Device proofing leverages a multiprong approach to assess risk: device fingerprinting, device-to-identity linkages and user-behavior analysis. It can help reduce false positives for consumers using a new device or new users establishing a new application.

Keys to a better omnichannel benefit enrollment experience

Whether in the public or private sector, constituents value omnichannel experiences. The overwhelming majority of constituents plan to enroll for government benefits online. While the experience with online enrollment is generally positive, agencies need to continue to improve all steps in the process. For example, though people predominantly rely on agency websites for information, education and benefit administrations, they may use many channels through their enrollment journey.

Investment in both online enrollments to meet demand as well as tools to improve interactions in constituent support channels like call centers will be critical to the successful design and delivery of modernized experiences. Online enrollment specifically must also be streamlined to further reduce administrative burdens and provide more accessible and equitable services for Americans.

Methodology

TransUnion partnered with Dynata to conduct a nationwide survey of 1,006 adults living in the United States (including territories) who said they had previously applied for government benefits and/or plan to do so in the next 3 years, randomly selected from a broad data panel. This survey was administered via the Qualtrics platform, and all responses were anonymized prior to analysis. Standard R & Python libraries were used to facilitate data ingest, cleanup and analysis.

