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Identity's expanding and intricate role in enhancing the new administration's government operations and public service

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Understanding the power and potential of identity is critical to helping agencies strengthen efficiency and security, build constituent trust, and enhance public policy outcomes.

As artificial intelligence (AI) continues to evolve, it can force leaders throughout government organizations to rethink traditional identity frameworks to more proactively understand the role of identities, their underlying attributes, and how their interconnected nature can help drive enterprise efficiency and enable agencies to more effectively serve the public.

In today's digital age, the concept of "identity" embodies much more than the attributes of an individual or the elemental components for managing access to enterprise systems. Identity also encompasses insights about organizations, devices, and other entities that operate on enterprise platforms or populate enterprise databases. Identity is the gateway to information that can help agencies improve service delivery and operate more effectively and efficiently.

The new Administration's priorities for identity

The Department of Government Efficiency (DOGE) was established by Executive Order "to modernize Federal technology and software[1], plus maximize governmental efficiency and productivity." In doing so, DOGE will have to evaluate how identity verification systems can improve access to government services and combat fraud, which is reported to cost the government[2] between $233 billion and $521 billion annually. Multiple strategies could be prioritized to advance DOGE's mission:

Implementing secure technologies such as digital identities and credentials.

Enhancing stronger identity verification methods across programs to include behavioral biometrics, liveness detection, multifactor authentication, and deepfake detection technologies.

Improving fraud detection and prevention with advanced analytics and real-time data verification.

Increasing funding and dedicated resources for fraud investigations to reduce the actual cost of fraud agencies face, recover stolen funds, and deter future attacks.

The actual cost of fraud goes beyond the loss of program dollars. In 2024, Supplemental Nutrition Assistance Program (SNAP) agencies and states with Integrated Eligibility Systems (IES) faced increasing fraud, particularly through electronic benefit transfer (EBT) skimming and account takeovers. Agencies impacted by these types of fraud reported losing an average of $4.48 for every $1 of benefits lost [3]. Downstream impacts of fraud include diminished worker morale, poor beneficiary experience, increased errors, and reduced trust in government institutions, according to a LexisNexis Risk Solutions study [3].

These priorities highlight the importance of a more robust, integrated, and technologically advanced identity management system with a strong focus on security and efficiency.

Looking beyond the challenges

One of the many challenges government agencies face in managing constituent data is the sheer volume, fluidity, and fragmentation of that data. Calling it a data management challenge doesn't do justice to the scale and complexity of assembling and maintaining meaningful identity records. Nor does it reflect the relentless demands agencies can face to ensure that data is accurate, secure, complete, and current. At the same time, agencies may also face the practical reality that much of their data and associated identity profiles remain disconnected and distributed across many federal, state, and local government systems.

Data fragmentation results in several issues:

Limited data sharing: Only 27% of leaders in public organizations believe their current data infrastructure[4] enables a comprehensive view of operations or transactions.

Inefficient operations: Fragmented data hinders analysis and meaningful insights, with 70% of public sector leaders reporting their data landscape is not well coordinated[5] or interoperable.

Duplicative efforts: Different agencies often collect similar data independently, wasting resources[6].

Agencies must also contend with hugely transient, ever-evolving populations that can make keeping data current incredibly challenging, especially with constituents who don't rely on or have access to many of today's digital services.

Finally, there is the darker reality of individuals and entities who will go to great lengths to disguise their true identities to commit fraud.

By looking more broadly at the power and potential of identity services and the interconnected nature of identities, federal, state, and local agencies have a pivotal opportunity to better understand their constituents at an individual, household, community, or national level, and can use these insights to drive operational efficiency, prevent identity fraud, and enable equitable access to services.
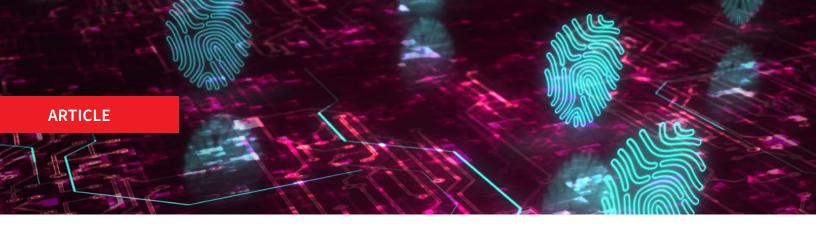
Identity's multiplier effect

Understanding these opportunities starts by viewing identity as the connective tissue that links disparate data points, constituent interactions, and business processes. By harnessing the power of identity data and referential linking, government agencies can:

- Create or share a master person index that unifies constituent information from disparate data sets, reducing duplicative records and applying missing data.

- Facilitate greater interagency information sharing and collaboration.

- Maintain a more complete history and current profile of constituents and their needs.

- Deliver more personalized, streamlined, and value-driven services.

Consider the impact of linking the identity profiles and attributes maintained in different agencies for an individual or a veteran who needs help with unemployment insurance, supplemental nutrition assistance, healthcare, or social security benefits. By leveraging modern identity management and referential linking tools, government agencies can more effectively and efficiently manage the distribution of government benefits securely and seamlessly.

Another benefit when agencies upgrade their technology to improve upfront identity verification or authentication in their call centers, can be a direct improvement in a beneficiary's or applicant's user experience. Agencies may experience similar improvements in the day-to-day experience of government case workers who can differentiate upfront who a caller is, verify that they are who they say they are, and determine whether they are eligible for the services they are calling about. This can lead to more proactive detection of fraud attempts, lowering costs related to fraud, waste, and abuse.

Identity drives budget efficiency

Strong identity insight can provide state and federal governments with a tremendous opportunity to implement transformational budget efficiencies in a time of deficits, and a stronger focus on streamlining operational costs. This population insight can allow the public sector to better understand their populations' service needs with appropriate eligibility and risk tolerance frameworks applied.

Identity's power to drive policy and research

An equally powerful benefit of modern identity management lies in its ability to enrich existing data and generate new insights by leveraging additional context about groups of individuals.

By tokenizing sensitive personal data—like Personally Identifiable Information (PII) or Protected Health Information (PHI)—using Privacy Preserving Record Linkage (PPRL) technology, agencies can freely share information while still ensuring compliance with federal and state privacy and security regulations.

Tokenization can make it simpler to share person-level, de-identified data between different government entities and better understand drivers of health-related social needs and social determinants of health, mortality, or healthcare usage patterns. Collectively, leveraging identity tools can provide enormous opportunities to enhance public health outcomes, governance, and policymaking.

Leveraging identity to fortify security

Over the past decade, government and commercial enterprises have benefited significantly from the explosion of publicly available consumer data to help verify and authenticate users. However, the global shift to remote devices and virtual entities accessing enterprise systems can make it more critical than ever for agencies to acquire the latest identity authentication and verification tools — and work with partners who understand the dimensions of identity management. These tools could include capitalizing on contributory networks, with access to the latest consumer databases and data management solutions to know with confidence who is on the other end of a transaction — and the trustworthiness of their devices — in real time. This can help agencies to prevent fraud, identity theft, and cybercrime proactively.

An accurate understanding of identity is the cornerstone of every transaction between a constituent and the government agencies they interact with. This understanding can also be essential to strengthening the public's trust in government. That is why, as agencies continue to modernize their systems and processes, it is more important than ever that their planning be grounded in a thorough understanding of identity's power and potential.

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