

What is 'Enough'?



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The Numbers

2015

FIRST HALF REVIEW

NUMBER OF BREACH INCIDENTS

888

RECORDS BREACHED IN FIRST HALF OF 2015

245,919,393

PERCENTAGE OF BREACHES
WHERE NUMBER OF COMPROMISED
RECORDS WAS UNKNOWN

50%

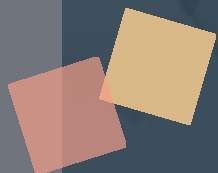
DATA RECORDS WERE LOST OR STOLEN WITH THE FOLLOWING FREQUENCY

EVERY
DAY
1,358,671

EVERY
HOUR
56,611

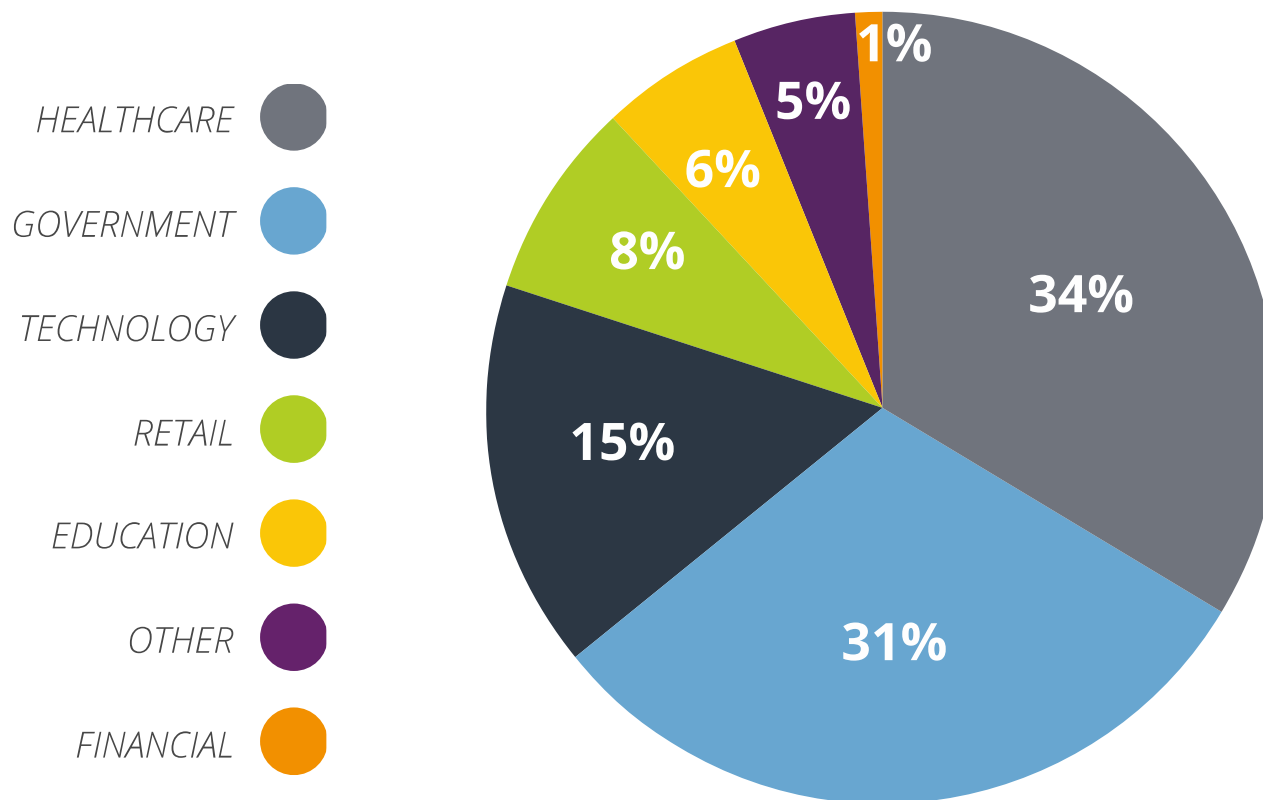
EVERY
MINUTE
943

EVERY
SECOND
16



Data Records Stolen/Lost by Industry

2015
FIRST HALF REVIEW



Identifiers vs. Authenticators – The Risks

✧ Identifiers

- ✧ Boarding pass, loyalty card, credit/debit card, hotel card
- ✧ Low risk assets
- ✧ Have back end system to protect asset

✧ Authenticators

- ✧ Higher value assets
- ✧ No back end system to offer protection
- ✧ User must present more than one item/form

✧ Vulnerabilities

- ✧ One sided validation or authorization
- ✧ Knowledge based authentication

What is 'enough'?

- ✧ Good – OTP
 - ✧ Hardware based application
- ✧ Better – Mutual Authentication
 - ✧ Both sides authenticate
 - ✧ Secure encrypted session to protect data
- ✧ Best
 - ✧ Decisions not solely based on function but based on security and importantly influenced by privacy needs

It's apparent that a **new approach** to data security is needed if organizations are to **stay ahead** of the attackers and **more effectively protect** against data breaches in the future.

“ More and more organizations are accepting the fact that, despite their best efforts, security breaches are unavoidable. ”

Medicare Pilot Case Study

✧ What is the Medicare Common Access Card Act?

- ✧ Congress introduced the bipartisan Medicare Common Access Card Act of 2015 on July 27, 2015 in both the House ([HR.3220](#)) and the Senate ([S.1871](#)).

✧ What is the goal?

- ✧ The bills call for the Secretary of the Department of Health and Human Services to implement a pilot program that would switch from paper cards to smart cards for Medicare beneficiaries in three U.S. geographic regions.

✧ Why did congress introduce this bill for a pilot?

- ✧ Medicare just turned 50, with no upgrades in its history to the card issued
- ✧ Millions of seniors rely on a program that is on the verge of bankruptcy, \$60 billion committed in fraud and improper payments every year.
- ✧ Obama just passed update to remove social security number from card

✧ Why Beneficiaries?

- ✧ With the current upgrade to EMV consumers will have adapted to change in behavior
- ✧ Longer term options and benefits for Doctors as well

✧ What is the timing?

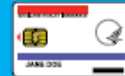
- ✧ Anticipated vote could be as early as Q4 of 2015
- ✧ Pilot would begin in 2016

Common Access Card fights fraud, protects privacy

- Stops phantom billing.



- Prevents card passing. PIN code confirms patient identity.



- Protects privacy. Personal info, Medicare number and PIN stays in the card.



- Because the Medicare card is a smart card, if the card is lost it can be deactivated remotely, protecting healthcare identity and information.



- Accurate identification and confirmation of a beneficiary's eligibility



- Smart card security features prevent counterfeiting or altering ID cards and protect people's privacy and benefits.



- Privacy sensitive. Cardholders carry their PIN with them in the smart chip.



Source: SecureID Coalition

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