

# Premiums, Not Fraud, to Blame for ACA Losses, Researchers Say

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**Erin Durkin**

Health policy reporter – Bloomberg Government

## Summary by Bloomberg AI

- Obamacare sign-ups have dropped by over a million this year, with Trump administration officials claiming those who lost coverage were never entitled to it.
- Researchers say the data doesn't support this claim, instead blaming rising premiums in ACA marketplaces for the decline in enrollment.
- Many researchers believe ACA enrollment could decline further, with estimates suggesting a 17% to 26% decrease in 2026, due to factors such as increased premiums and Medicaid work requirements.

Obamacare sign-ups have dropped by over a million this year, and on Capitol Hill, Trump administration officials over the last week advanced a claim about those losses: They shouldn't have been enrolled in those programs to begin with.

"The only people who lost coverage were people who were never entitled to coverage," Health and Human Services Secretary Robert F. Kennedy Jr. said at a House Energy and Commerce Health Subcommittee hearing Tuesday in response to questions from Rep. [Lori Trahan](#) (D-Mass.) about the decline in Affordable Care Act sign-ups.

Kennedy over a [series of appearances before congressional committees](#) attributed the drop to individuals who are dead, erroneously enrolled in two types of plans, or illegal immigrants.

But researchers who are tracking the issue say the data doesn't bear this out, noting that individuals are expected to lose access to health care due to costs, even if they're still eligible for the coverage.

## Rising Premiums

"Kennedy's characterization of the people who have just lost their health insurance is just plain wrong," Sabrina Corlette, co-director of Georgetown University's Center on Health Insurance Reforms, said in a

statement. Instead, she blames rising premiums in ACA marketplaces, where enrollees are “folks who are hustling every day to raise families and pay their bills.”

The Centers for Medicare & Medicaid Services already checks if people are double-enrolled in government programs and requires individuals to reconcile advanced premium tax credits from the previous year, said Jennifer Sullivan, director of health coverage access at the left-leaning Center on Budget and Policy Priorities.

“We believe people are responding to increased premiums,” she said in an email.

Many researchers say ACA enrollment could decline further. A [report](#) from the Wakely Consulting Group analyzing the number of people who paid their first premiums across the individual market estimates that enrollment in 2026 will decrease by 17% to 26%, or between about 4 million to 6.5 million sign-ups.

But the right-leaning Paragon Health Institute asserts that the drop may indicate improperly or fraudulently enrolled individuals exiting the marketplace, although the group also says that improper enrollments have remained high in 2026.

“Enrollment growth is no longer a meaningful measure of success,” the group wrote to CMS in March. “Given the substantial share of improper and phantom enrollees, it has become a sign of failure.”

## Immigration Changes

Undocumented immigrants aren’t eligible to sign up for Affordable Care Act coverage. Rather, lawfully present immigrants—refugees, asylum grantees, and temporary protected status individuals—have had access to subsidized plans.

But last summer’s GOP tax-and-spending law revoked access to subsidized ACA coverage for many immigrant groups with legal status. The law eliminated eligibility for immigrants making below the poverty line—about \$16,000 per year for an individual—from premium tax credits, and a wider swath of lawfully present immigrants will lose access starting next year.

“It’s highly unlikely that this 1 million drop in enrollment is a reflection of immigrants leaving the marketplace and even more unlikely that it’s undocumented immigrants,” said Drishti Pillai, director of immigrant health policy at the health research group KFF.

CMS Administrator Mehmet Oz told NBC News last month that the 23 million people who have signed up in 2026 is still too high, and suspects fraud.

Kennedy, responding to a question from [Sen. Bill Cassidy](#) (R-La.) Wednesday said the department is relying on eligibility restrictions implemented under Trump to address fraud, although [CMS said in January](#) elements of the regulations were still blocked by a court.

## Work Requirements

Another element causing loss of health insurance sign-ups is Medicaid work requirements in the 2025 GOP tax law. About half of the 10 million expected to lose health insurance by 2034 are due to Medicaid work requirements, according to Congressional Budget Office.

Office of Management and Budget Director Russell Vought said last week that the millions of people expected to lose coverage under the law include people who are returning to the workforce or **“they should not have been on the system regardless because of the inability to address fraud.”**

Urban Institute, which aligns with Democratic priorities, released an [analysis](#) that found that 23% of the working adults that would be subject to the work requirements may be found non-compliant in at least one month due to unstable employment.

“Many of the people who are meeting the work requirement or eligible for an exemption are at risk of losing coverage,” said Michael Karpman, principal research associate in the Health Policy Division at the Urban Institute. He added that “there’s not a lot of room to begin with to increase employment because most people are already working or face barriers to work.”

To contact the reporter on this story: [Erin Durkin](#) in Washington at [edurkin@bloombergindustry.com](mailto:edurkin@bloombergindustry.com)