

Right before midterms, Trump dangles \$500 refunds for select ACA enrollees

It's unclear what legal authority the administration has to give cash to only some ACA plan holders

By [Bob Herman](#) and [Tara Bannow](#) – STAT News
Sept. 10, 2026

The Trump administration is promising to send \$500 refund checks to nearly 1 million people with Affordable Care Act health plans. The checks will be mailed out starting next month, just before the midterm elections, to many individuals living in swing states.

The checks will only go to people who don't receive federal subsidies for their insurance plans, leaving out tens of millions of people with ACA coverage.

The White House said the money will help “Americans most exposed to the higher costs imposed by the Biden administration’s gross mismanagement of Obamacare.” But the payments instead reflect the Trump administration’s decisions to cut funding to help people enroll in ACA plans, as well as Republicans’ decisions not to extend extra ACA subsidies that expired this year.

People are eligible for the \$500 if they live in one of the 30 states that use the federal government’s ACA marketplace, such as Ohio and Florida. It’s unclear if only people with current coverage qualify, or if people who had plans in the past may also get checks.

At least 18 million ACA enrollees who get subsidies won’t receive refunds, even if they are paying some of the premiums for their coverage.

It’s not the only check Trump is promising. Late last night, the president said adults would get \$5,000 apiece if Republicans maintain Congressional control in the midterm elections. Sending out that money would require an act of Congress.

The health insurance refunds coincide with financial aid that disappeared at the start of the year. Under the Biden administration,

Democrats in Congress created temporary ACA subsidies that went to more people who have incomes above the poverty line, but Trump and Republicans allowed the subsidies to expire at the end of 2025. As a result, premiums increased drastically for that population this year, leading to millions of people dropping their health plans.

People with unsubsidized ACA plans are likely paying thousands of dollars more for their insurance premiums this year compared with last year, said Cynthia Cox, a senior vice president at health policy and research organization KFF.

“So \$500 is going to help to some degree, but it’s not going to offset the full amount of the premium increase they experienced,” she said.

The White House did not respond to questions. The Centers for Medicare and Medicaid Services, which oversees the ACA marketplaces, did not make anyone available for an interview. CMS spokesperson Christine Mahoney directed STAT to President Trump’s video statement.

It’s unclear what legal authority the administration has to direct payments to a specific swath of the ACA population. Millions of other enrollees faced premium increases when the enhanced subsidies lapsed, not just those who now get no subsidies.

“You need to have a really strong regulatory reason to say, ‘We’re picking this group and not that group,’” said Adrianna McIntyre, an assistant professor of health policy and politics at Harvard University. “What if Trump said, ‘I want to do these rebates, but only in states that voted for me in the last election’? What is stopping him from doing that, but not stopping him from doing this?”

The proposed refunds to enrollees with unsubsidized plans would come from the ACA’s “user fees.” Every year, the government charges health insurers a percentage of their ACA premiums — usually less than 3% — to help cover the overhead of running the marketplaces and helping people enroll. Insurers usually pass those costs on by raising premiums.

Both the first and second Trump administrations slashed funding for ACA marketplace outreach and enrollment help, activities that are funded by user fees. In both periods, the administrations said the cuts

would lower health insurance premiums because health insurers would pay less money in user fees.

Because of that, CMS had roughly \$1 billion in unspent ACA user fees at the end of Trump's first term in 2021, Cox said. The incoming Biden administration then spent roughly half of that on the navigator program, which gives grants to organizations that supply people with impartial plan information and help them enroll in plans.

That leaves about \$500 million in unspent user fee revenue today, which is roughly what it would take to send \$500 to 1 million people.

"Just knowing what I know about where the money has gone, it does seem like the math would check out there," Cox said.

Federal data show ACA user fees peaked at more than \$2 billion in 2024, the final year of Biden's term. Trump claimed the Biden administration collected ACA user fees in an unnamed year that were "far in excess of what was needed to run the exchange" but did not explain the details around the surplus.

Then in early 2025, the Trump administration announced it was cutting funding for navigators by 90% to just \$10 million. The agency said the move would save \$360 million in user fees through 2029, money that is "directly passed through to the premium that health insurers charge." Georgetown University researchers took issue with that claim, noting that navigator funding is a small fraction of user fees — less than 5% in 2023, for example.

Zach Sherman, a managing director at the health care consulting firm HMA, said every person who enrolls in an ACA plan, whether they receive a subsidy or not, pays into the user fees in the form of higher premiums. Like McIntyre, he questioned the logic of directing the payments to a small subset of enrollees.

"Turning around and paying that back to the unsubsidized population, I don't follow the mechanics or appropriateness of that," Sherman said.

Coincidentally, ACA enrollees will soon be getting rebate checks directly from their health insurers, but through a different program. The ACA requires insurers to refund members if insurers don't spend enough of

their premium revenue on medical care. This year, KFF estimates refunds will total roughly \$500 million for individual ACA enrollees, plus another \$200 million for employers and people covered under their plans.

“There might be some confusion here about the source of money people might be receiving,” Cox said. “One check will be coming from insurers, and that is from the ACA statute. The other direct deposit from the Trump administration is not statutory, it’s a one-time payout of unspent user fees.”