

One Big Beautiful Bill Act (OBBBA): Key Provisions for Radiology Practices

Bill Enactment & Process

On Friday, July 4, 2025, President Trump signed the One Big [Beautiful](#) Bill Act (OBBBA) budget reconciliation package into law. Reconciliation is an expedited process used to pass fiscal legislation through a 50-vote majority, avoiding the Senate filibuster. This legislative maneuver is specifically designed for bills focused on budgetary matters, allowing for changes to spending, revenues, and the federal debt limit with a simple majority vote. The strategic use of reconciliation underscores the administration's determination to enact its fiscal agenda swiftly, bypassing potential partisan gridlock.

Policy Priorities & Health Impact

OBBBA contains many of President Trump's top policy priorities, including extending the Trump tax cuts from his first administration. It also includes many health-related provisions, with the potential to impact medical groups. Most importantly, the bill changes eligibility, enrollment, and funding policies for Medicaid, Medicare, and the ACA marketplace.

CBO Estimate: Coverage Loss

The Congressional Budget Office (CBO), an independent agency that provides budget and economic analysis to Congress, estimates these far-reaching changes will result in 11.8 million beneficiaries losing coverage. This projected reduction in covered individuals stems from stricter eligibility requirements, reduced subsidies for marketplace plans, and fundamental shifts in program funding.

Medicare Impact

1	2	3
Temporary PFS Payment Increase Provides a one-year temporary to the PFS increase of 2.5% conversion factor for all services furnished in coverage year (CY) 2026. Implementation: January 1, 2026	Medicare Eligibility Changes Limits Medicare coverage for certain noncitizens regardless of if they had previously qualified with sufficient work history. Implementation: January 4, 2027	Radiology-Specific Impacts Radiology practices face additional challenges with the Medicare Physician Fee Schedule, including potential cuts to technical component payments and increased prior authorization requirements. Implementation: Ongoing

Impact on Radiology Practices

While the one-time 2.5% increase temporarily relieves payment pressures, it does not address long-term financial stability for medical practices, especially radiology groups. According to RBMA leaders, radiology practices are at a critical crossroads with Medicare reimbursement challenges. The Medicare conversion factor has declined by approximately 10% since 2010 when adjusted for inflation, creating significant financial strain on radiology groups.

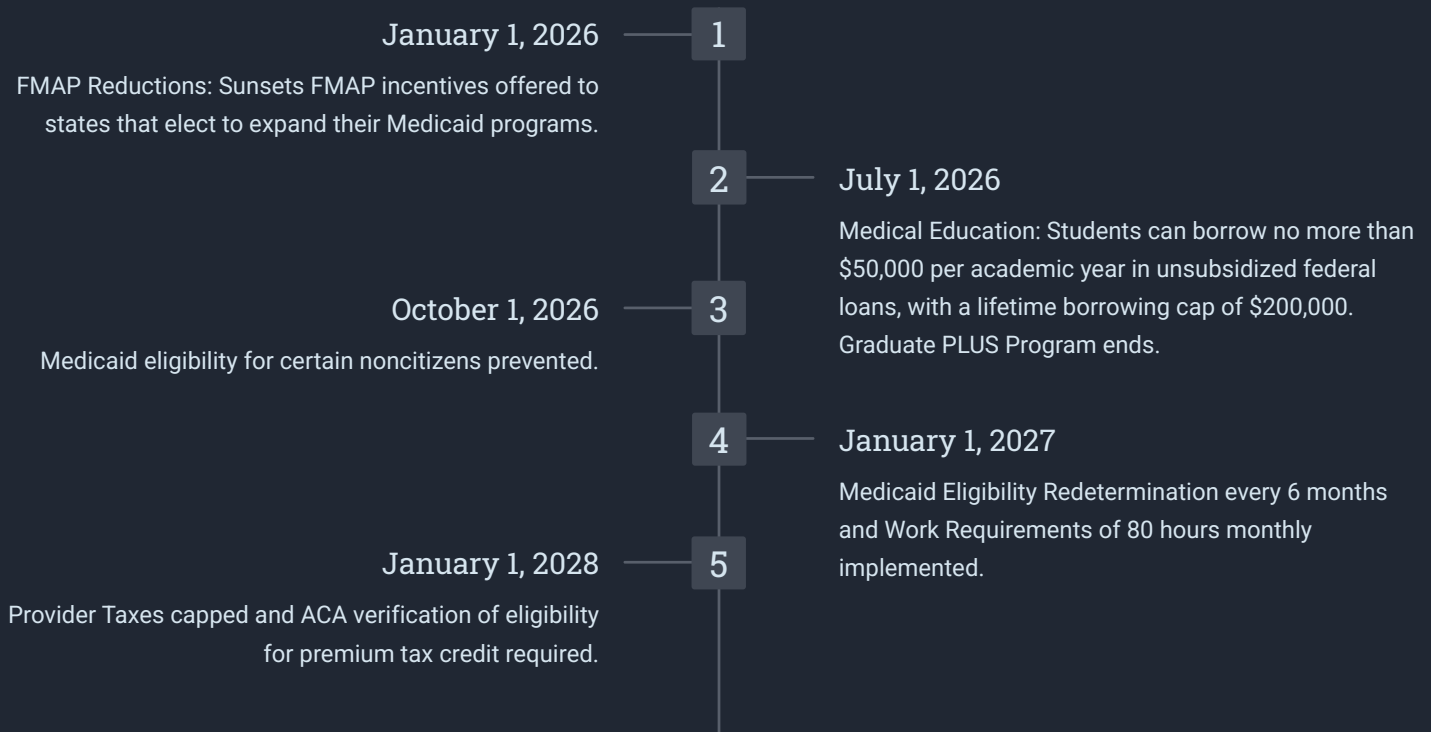
Additionally, until the proposed CY 2026 PFS is released, we will not know the full impact of the 2.5% increase for 2026. Medicare is not immune to other challenges in the bill, including changing eligibility requirements that may increase the rate of uncompensated care. Additionally, OBBBA is projected by the CBO to trigger Medicare sequestration under the Statutory Pay-As-You-Go (PAYGO) Act of 2010 because it increases the federal deficit. While Statutory PAYGO cuts have never been allowed to go into effect, Congress will still need to waive PAYGO to avert a 4% across-the-board cut to Medicare payments from 2026 through 2034.



"Radiology practices are facing unprecedented financial pressures from Medicare reimbursement changes. The temporary 2.5% increase in 2026 is merely a band-aid on a much larger problem that threatens the sustainability of radiology services, particularly for practices with high Medicare patient populations."

— Radiology Business Management Association

Medicaid, ACA, and Medical Education Provisions



Impact on Radiology Services

Medicaid Impact

The changes to eligibility, enrollment, and funding of Medicaid will lead to beneficiaries losing coverage and increase the rate of uncompensated care for radiology practices. Imaging services are often among the first to be affected by coverage gaps, as patients may delay diagnostic procedures when facing out-of-pocket costs.

The reduction in funding will put immense pressure on states to find other sources of financing or else risk reductions to benefits for enrollees and reimbursements for practices. Additionally, radiology groups will be on the front lines working with beneficiaries who are losing access to care, and in many cases will be responsible for the administrative burden of eligibility checks and educating those who have been disenrolled.

ACA and Medical Education

By increasing verifications and reducing access to tax credits, there will be more hurdles to enrolling in coverage, and some enrollees will pay more. The hurdles and increased costs could lead to a higher uninsured rate and an increase in uncompensated care for imaging services.

The medical education provisions could exacerbate the radiologist workforce shortage as it may make paying for medical school unfeasible for some students. This is particularly concerning for radiology, which requires extensive specialized training and often carries higher-than-average educational debt.

⚠ Critical Concern for Radiology Practices

According to RBMA leaders, radiology practices are already operating on thin margins due to previous Medicare cuts. The combined impact of Medicaid eligibility restrictions and Medicare payment challenges could force some radiology groups to reduce services, particularly in rural and underserved areas where imaging access is already limited.



Tax Provisions

1

Small Business Tax Pass-Through

Maintains pass-through entities' (PTE) ability to claim state and local tax (SALT) deductions at the PTE level. The SALT deduction will be increased to \$40,000 for 2025 (subject to a phase-out after \$500,000 of income), adjusted for inflation through 2029, and revert back to \$10,000 in 2030. Makes the qualifying business deduction permanent while keeping the deduction rate at 20%.

Implementation: 2025

2

Expanded access to Health Savings Accounts (HSAs)

Permanently allows HSA-eligible high deductible health plans (HSHPs) to cover telehealth and other remote services before the deductible.

Implementation: Retroactive to January 1, 2025

3

Expansion of HSAs in ACA marketplace

Allows ACA marketplace bronze and catastrophic plans to be treated as HDHPs with HSAs.

Implementation: January 1, 2026

The House version of the bill would have eliminated the PTE SALT deduction for specified services, trades, or businesses (SSTBs), impacting physician practices operating as PTEs, but it was ultimately not adopted.



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PBS Radiology is actively monitoring the implementation of OBBBA provisions to support our clients through this changing healthcare landscape.

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