



Physicians Caring for Texans

**House Insurance Committee**  
**Testimony of Adam Bruggeman, MD, Texas Medical Association**  
**House Bill 1266 (Expedited Credentialing) by Rep. Ryan Guillen**  
*April 2, 2025*

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Thank you, Chair Dean, Vice-Chair Vo, and committee members, for allowing me to testify today. My name is Dr. Adam Bruggeman, and I am an orthopedic surgeon practicing in San Antonio, testifying in support of House Bill 1266 on behalf of myself and the Texas Medical Association and its more than 59,000 members.

Back in 2009, the legislature created a process to expedite credentialing of physicians who join an established medical group that already has in-network status with an insurer. The problem before then was the lengthy amount of time the credentialing process took, even though:

1. The physician was joining a practice recognized by the insurer as an in-network provider; and
2. Nearly all such physicians were ultimately credentialed by the insurer.

Without being credentialed by the insurer, physicians practicing on their own or who join an established medical group had to bill that insurer's patients at out-of-network rates.

The 2009 law struck a balance for physicians joining an established medical group: First they would submit their application for expedited credentialing and agree to the terms of the practice's contract with the insurer. Then they would automatically be considered in-network for payment purposes. However, if the insurer ultimately denies the physician's application after completing the credentialing process, the managed care plan issuer may recover the difference between payments for in-network benefits and out-of-network benefits: The applicant physician or the physician's medical group must repay the insurer those funds.

Today, physician practices have the same issue with their mid-level providers such as nurse practitioners and physician assistants they hire to join their practice. This problem is exacerbated by statewide workforce shortages that leave physician practices understaffed, much like other businesses across sectors. As an example, in my practice,

90 days ago we hired a mid-level provider who will be joining our practice after giving her 120-day notice. We began credentialing the day she accepted the position. Despite being over 90 days into the process, there are still four to five insurance carriers that have not added her to our contracts. In addition, many required her to have malpractice insurance prior to beginning contracting, meaning we have been paying for her malpractice insurance for months without being able to utilize or bill for her services. On average, it takes six months for us to add any midlevel providers to our contracts. This significantly limits their mobility to areas of need or professional development as well as our ability to hire new midlevel practitioners to expand our reach and practice. This is bad for all Texans – both patients and those in health care.

House Bill 1266 creates a parallel expedited credentialing track for nurse practitioners and physician assistants who are hired by a physician group practice currently contracted with an insurer.

Again, thank you Chair Dean and committee members, for allowing me to testify today in support of House Bill 1266. I appreciate your work and am happy to answer any questions.