A State qualified Health maintenance Organization (HMO) is an organization which:

- (a) Is organized under the laws of the State of Nevada, and is in good standing with the Secretary of State of Nevada;
- (b) Is authorized by the Commissioner of Insurance to operate as an HMO in Nevada, and is in good standing with the Commissioner of Insurance;
- (c) Is operated primarily for the purpose of providing health care services as defined by 42 CFR 434.20(c)(1);
- (d) Meets the requirements of Section 1903(m)(2)(A)(i)-(xi) of Title XIX of the Social Security Act;
- (e) Ensures all providers and facilities employed by it will be properly licensed or certified by the appropriate agency(ies) and will be in good standing with the Medicaid and Medicare programs where appropriate;
- (f) Is in conformance with 42 CFR 434.20(c)(2), assures the services it provides to its Medicaid participants are as accessible to them as those services are to the non-enrolled Medicaid recipients within the services area;
- (g) Makes provisions, satisfactory to the State Medicaid agency, against risk of insolvency and assures that Medicaid participants will not be liable for the Health Maintenance Organizations debt if it becomes insolvent in conformance with 42 CFR 434.20(c)(3); and
- (h) Is in conformance with 42 CFR 434.26.