

HOWATT JAMES W  
Form 4  
March 04, 2008

**FORM 4**

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287  
Expires: January 31, 2005  
Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
HOWATT JAMES W

2. Issuer Name and Ticker or Trading Symbol  
MOLINA HEALTHCARE INC  
[MOH]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
2277 FAIR OAKS BOULEVARD,  
SUITE 440  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/01/2008

\_\_\_ Director \_\_\_ 10% Owner  
\_X\_ Officer (give title below) \_\_\_ Other (specify below)  
Chief Medical Officer

SACRAMENTO, CA 95825

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)  
\_X\_ Form filed by One Reporting Person  
\_\_\_ Form filed by More than One Reporting Person

(City) (State) (Zip)

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	03/01/2008		A <sup>(1)</sup>		12,200	A	\$ 0
Common Stock	03/01/2008		F		236	D	\$ 33.51
Common Stock	03/01/2008		F		268	D	\$ 31.65

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned**  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Amount or Number of Shares
Stock Options (Right to Purchase)	\$ 29.77					02/09/2007 <sup>(5)</sup> 02/09/2016	Common Stock	3,350
Stock Options (Right to Purchase)	\$ 31.32					03/01/2008 <sup>(6)</sup> 03/01/2017	Common Stock	2,000
Stock Options (Right to Purchase)	\$ 32.01					05/29/2008 <sup>(7)</sup> 05/29/2017	Common Stock	9,000

## Reporting Owners

### Reporting Owner Name / Address

### Relationships

Director 10% Owner Officer Other

HOWATT JAMES W  
2277 FAIR OAKS BOULEVARD, SUITE 440  
SACRAMENTO, CA 95825

Chief Medical Officer

## Signatures

Jeff D. Barlow, by power of attorney for James W. Howatt

03/04/2008

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Grant of restricted shares under the issuer's 2002 Equity Incentive Plan. The shares vest in one-quarter increments on each of 3/1/2009, 3/1/2010, 3/1/2011 and 3/1/2012.

(2) The withholding amount for taxes applied effective as of March 1, 2008 was calculated using the closing price of our common stock on February 9, 2008 of \$33.51.

(3) Represents the closing price on Friday, February 29, 2008.

550 shares vest on 2/9/2009. 3,050 of the shares vest in one-quarter increments on each of 5/29/2008, 5/29/2009, 5/29/2010, and 5/29/2011. 12,200 of the shares vest in one-quarter increments on each of 3/1/2009, 3/1/2010, 3/1/2011, and 3/1/2012. The remainder of the shares are fully vested.

(5) The options vest in one-third increments on each of 2/9/2007, 2/9/2008, and 2/9/2009.

(6) The options vest in one-quarter increments on each of 3/1/2008, 3/1/2009, 3/1/2010, and 3/1/2011.

(7) The options vest in one-quarter increments on each of 5/29/2008, 5/29/2009, 5/29/2010, and 5/29/2011.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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