

MOLINA HEALTHCARE INC  
 Form 4  
 January 05, 2009

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
**BAYER TERRY**

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)  
**12/31/2008**

\_\_\_\_ Director  
 Officer (give title below)  
 \_\_\_\_ 10% Owner  
 \_\_\_\_ Other (specify below)  
**Chief Operating Officer**

**SACRAMENTO, CA 95825**

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Ownership (Instr. 4)
				Code V Amount (A) or (D) Price			
Common Stock	12/31/2008		A <sup>(1)</sup>	1,012 A 17.61	32,895 <sup>(3)</sup> <sub>(2)</sub>	D	

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)**

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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. De Se (In
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				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	\$ 44.29							(4)	07/01/2015	Common Stock	21,000
Stock Options (Right to Buy)	\$ 28.66							(5)	02/02/2016	Common Stock	21,000
Stock Options (Right to Buy)	\$ 31.32							03/01/2008 <sup>(6)</sup>	03/01/2017	Common Stock	11,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BAYER TERRY 2277 FAIR OAKS BOULEVARD SUITE 440 SACRAMENTO, CA 95825			Chief Operating Officer	

## Signatures

Jeff D. Barlow, by power of attorney for Terry Bayer. 01/05/2009

\_\_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) The shares were acquired under the Molina Healthcare, Inc. 2002 Employee Stock Purchase Plan.
- (2) Represents the closing price on Wednesday, December 31, 2008.
- (3)

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4,125 shares vest in increments of 1,375 shares on each of 3/1/09, 3/1/10, and 3/1/11. 13,600 shares vest in one-quarter increments on 3/1/2009, 3/1/2010, 3/1/2011, and 3/1/2012. The remainder of the shares are vested.

- (4) The options are fully vested.
- (5) 14,000 of the options are vested. The remainder vest on 2/2/2009.
- (6) 2,750 of the options are vested. The remainder vest in increments of 2,750 options on each of 3/1/09, 3/1/10, and 3/1/11.

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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