

BAYER TERRY
Form 4
January 04, 2006

FORM 4

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

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

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
BAYER TERRY

(Last) (First) (Middle)

**2277 FAIR OAKS
BOULEVARD, SUITE 440**

(Street)

SACRAMENTO, CA 95825

(City) (State) (Zip)

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

3. Date of Earliest Transaction
(Month/Day/Year)
12/30/2005

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

____ Director ____ 10% Owner
__X__ Officer (give title ____ Other (specify
below) below)
Chief Operating Officer

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

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					12,000 ⁽¹⁾	D	
Common Stock	12/30/2005		J ⁽²⁾		249	A	\$ 26.64
					12,249	D	

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

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(9-02)

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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. De Se (In
				Code	V (A) (D)	Date Exercisable Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	\$ 44.29					07/01/2006 ⁽³⁾ 07/01/2015	Common Stock	21,000

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

Terry Bayer, by Jeff D. Barlow,
Attorney-in-Fact. 01/04/2006

____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) 4,000 of the 12,000 shares are vested. The remaining 8,000 shares represent a grant of restricted stock under the Molina Healthcare, Inc. 2002 Equity Incentive Plan, with one-half of the 8,000 shares to vest on each of 9/27/2006 and 9/27/2007.
- (2) The shares were acquired under the Molina Healthcare, Inc. 2002 Employee Stock Purchase Plan.
- (3) Grant of options under the Molina Healthcare, Inc. 2002 Equity Incentive Plan, with one-third of the options to vest on each of 7/1/2006, 7/1/2007, and 7/1/2008.

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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