

BAYER TERRY  
Form 4  
March 03, 2011

**FORM 4**

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

OMB APPROVAL

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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)  
300 UNIVERSITY AVENUE,  
SUITE 100  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/01/2011

\_\_\_\_ 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 Indirect Beneficial Ownership (Instr. 4)	
				Code	V	Amount	(A) or (D)	Price
Common Stock	03/01/2011		A <sup>(1)</sup>		18,000	A		\$ 35.07 (2)
								72,807 <sup>(3)</sup>
Common Stock	03/01/2011		F <sup>(4)</sup>		11,587	D		\$ 35.07 (2)
								61,220 <sup>(3)</sup>

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

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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. Amount or Number of Shares
Stock Options (Right to Buy)	\$ 44.29				(5)	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				(5)	03/01/2008(5) 03/01/2017	Common Stock	11,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BAYER TERRY 300 UNIVERSITY AVENUE, SUITE 100 SACRAMENTO, CA 95825			Chief Operating Officer	

## Signatures

Jeff D. Barlow, by power of attorney for Terry Bayer. 03/03/2011

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 stock under the Issuer's 2002 Equity Incentive Plan.

(2) Represents the closing price (and selling price) of Issuer's common stock on March 1, 2011.

The 18,000 newly granted shares vest on 3/1/2012 provided the Issuer meets specified operating revenue for 2011 and the Reporting

(3) Person continues to be employed by the Issuer on such date; additionally, 10,200 shares vest on 3/1/2012, 6,800 shares vest on 3/1/2013 and 3,400 shares vest on 3/1/2014. The remainder of the shares are vested.

(4) The shares were applied to the payment of withholding taxes arising in connection with the vesting of 11,587 shares on March 1, 2011.

(5) The options are fully vested.

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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