

HOWATT JAMES W  
Form 4  
March 03, 2010

**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 \*  
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)  
03/01/2010

\_\_\_\_ Director  
 Officer (give title below) \_\_\_\_\_ 10% Owner  
\_\_\_\_\_ 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)  
 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	03/01/2010		A <sup>(1)</sup>		12,200	A		\$ 21.77 (2)	41,685	D	
Common Stock	03/01/2010		F <sup>(3)</sup>		2,604	D		\$ 21.77 (2)	39,081 (4)	D	

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 Purchase)	\$ 29.77					(5) 02/09/2016	Common Stock	3,350
Stock Options (Right to Purchase)	\$ 31.32					03/01/2008(6) 03/01/2017	Common Stock	2,000
Stock Options (Right to Purchase)	\$ 32.01					05/29/2008(7) 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. 03/03/2010

\_\_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 granted under the Molina Healthcare, Inc. 2002 Equity Incentive Plan.
- (2) Represents the closing price on Monday, March 1, 2010.
- (3) The shares were applied to the payment of withholding taxes arising in connection with the vesting of 6,725 shares on March 1, 2010.

Increments of 3,050 shares vest on each of 3/1/2011, 3/1/2012, 3/1/2013, and 3/1/2014; increments of 3,050 shares vest on each of

- (4) 3/1/2011, 3/1/2012, and 3/1/2013; additional increments of 3,050 shares vest on each of 3/1/2011 and 3/1/2012; increments of 762 shares vest on each of 5/29/2010 and 5/29/2011; and 625 shares vest on 3/1/2011. The remaining shares are vested.

- (5) The options are fully vested.

- (6) 1,500 of the options are vested; 500 options vest on 3/1/2011.

- (7) 4,500 of the options are vested; increments of 2,250 options vest on each of 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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