

BAYER TERRY  
Form 4  
March 14, 2011

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

(Last) (First) (Middle)  
300 UNIVERSITY AVENUE,  
SUITE 100  
  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
01/31/2011

SACRAMENTO, CA 95825

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                    | 01/31/2011 <sup>(1)</sup>            |  | S                              | 1,700 D 30.56   | 59,520 <sup>(3)</sup>   | D  |                                   |
|                                 |                                      |  |                                |   | <sup>(2)</sup>  |  |                                   |

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

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.**

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 |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|

|                              |          |  |  | 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 |  |  |      |   |     |     | (4)              | 02/02/2016      | Common Stock | 21,000                     |
| Stock Options (Right to Buy) | \$ 31.32 |  |  |      |   |     |     | 03/01/2008(4)    | 03/01/2017      | Common Stock | 11,000                     |

## Reporting Owners

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

## Signatures

Jeff D. Barlow, by power of attorney for Terry Bayer. 03/14/2011

\_\_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) The sale was made pursuant to a Rule 10b5-1 plan and as a result of an oversight, the Reporting Person failed to file this Form 4 timely.
- (2) Represents the actual selling price for all 1,700 shares.
- (3) 18,000 shares vest on 3/1/2012 provided the Issuer meets specified operating revenue for 2011 and the Reporting 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.

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(4) 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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