

MOLINA HEALTHCARE INC  
 Form 4  
 May 18, 2015

**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)  
 Director  10% Owner  
 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)  
**05/15/2015**

**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	Price		
Common Stock	05/15/2015		M <sup>(1)</sup>	21,000	A	\$ 19.1067 <sup>(2)</sup>	153,713.5	D	
Common Stock	05/15/2015		S <sup>(1)</sup>	21,000	D	\$ 69.0084 <sup>(3)</sup>	132,713.5 <sup>(4)</sup>	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)

number.

**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)	\$ 20.88					(8) 03/01/2017	Common Stock	16,500
Stock Options (Right to Buy)	\$ 19.1067	05/15/2015		M	21,000	(8) 02/02/2016	Common Stock	21,000

## 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. 05/18/2015

\_\_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 transaction was made pursuant to Reporting Person's Rule 10b5-1 Trading Plan that was established on March 13, 2015.

(2) Represents the exercise price per share.

(3) Represents the weighted average selling price with a selling price range between \$68.23 and \$69.74.

(4) The shares vest as follows: (i) 2,865 shares shall vest based on the Company's fiscal year 2016 annual premium revenue achievement; (ii) 2,865 shares shall vest based on the Company's fiscal year 2016 net profit margin achievement; (iii) 2,865 shares shall vest based on the Company's pre-tax income in fiscal year 2016; (iv) 2,865 shares shall vest based on the Company's 2017 annual premium revenue achievement; (v) 2,865 shares shall vest based on the Company's 2017 net profit margin achievement; continued

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- (5) (vi) 2,865 shares shall vest based on pre-tax income in fiscal year 2017; (vii) 2,865 shares shall vest upon the Company's achieving a three-year Total Stockholder Return (TSR) for the three-year period ending December 31, 2017 as determined by ISS calculations that is greater than the median TSR achieved by the Company's 2015 ISS peer group; and (viii) 8,599 shares shall vest in one-third increments over three years, on each of April 1, 2016, April 1, 2017, and April 1, 2018. See 2015 Definitive Proxy Statement.

- (6) Additional vesting as follows: (ix) 15,572 shares shall vest upon the Company achieving total revenue in any of the 2013, 2014, or 2015 fiscal years equal to or greater than \$12 billion; (x) 4,644 shares shall vest upon the Company achieving three-year TSR as determined by ISS calculations that is greater than the median TSR achieved by the Company's ISS peer group for the three-year period ending December 31, 2016; continued

- (7) (xi) 11,611 shares shall vest upon the Company achieving a three-year EBITDA margin percentage for the three-year period ending December 31, 2016 equal to or greater than 4.0%; (xii) 11,611 of shares shall vest upon the Company achieving a cumulative earnings per share of at least \$8.50 for the three year period ending December 31, 2016; (xiii) 9,836 shares vest on March 1, 2016; and (xiv) 4,644 shares vest on March 1, 2017. The remainder of the shares are vested.

- (8) 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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