

MOLINA HEALTHCARE INC  
Form 4  
March 04, 2014

**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)  
**03/01/2014**

\_\_\_ Director \_\_\_ 10% Owner  
 Officer (give title below) \_\_\_ 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	03/01/2014		F <sup>(1)</sup>		8,125	D	\$ 37.68 (2)
Common Stock	03/01/2014		F <sup>(3)</sup>		4,155	D	\$ 37.68 (2)
Common Stock	03/01/2014		A <sup>(4)</sup>		46,444	A	\$ 37.68 (2)
							127,439.5 <sup>(5)</sup> (6) (7)

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

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(9-02)

**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. Price or Value of Derivative Security (Instr. 3)
Stock Options (Right to Buy)	\$ 29.5267					(8) 07/01/2015	Common Stock	31,500
Stock Options (Right to Buy)	\$ 19.1067					(8) 02/02/2016	Common Stock	21,000
Stock Options (Right to Buy)	\$ 20.88					(8) 03/01/2017	Common Stock	16,500

## 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.

03/04/2014

\*\*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).

The shares were applied to the payment of withholding taxes arising in connection with the vesting of 15,571 shares on March 1, 2014, which vested upon the Company achieving three-year EBITDA margin for the three-year period ending December 31, 2013 greater than 2.5%. The achievement of such EBITDA margin was certified by the Compensation Committee on March 1, 2014.

(2) Represents the closing price (and selling price, where applicable) of Issuer's common stock on February 28, 2014.

(3) The shares were applied to the payment of withholding taxes arising in connection with the vesting of 10,290 shares on March 1, 2014.

(4) Grant of restricted stock under the issuer's 2011 Equity Incentive Plan.

(5) 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, and 5,191 shares vest on each of March 1, 2015 and March 1, 2016.

The 46,444 newly granted shares vest as follows: (i) 13,934 of such shares vest in one-third increments on each of March 1, 2015, March 1, 2016 and March 1, 2017; (ii) 4,644 of such shares vest upon the Company achieving three-year Total Stockholder Return (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; (iii) 4,644 of such shares vest on March 1, 2015 contingent upon the Company achieving a one-year TSR as determined by ISS calculations for fiscal year 2014 that is greater than the average TSR achieved by Centene Corporation and WellCare Group for their fiscal year ending December 31, 2014; continued

(7) (iv) 11,611 of such shares 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%; and (v) 11,611 of such shares vest upon the Company achieving a cumulative earnings per share of at least \$8.50 for the three year period ending December 31, 2016. 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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