MOLINA HEALTHCARE INC

Form 4

August 31, 2006

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

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OMB APPROVAL

Section 16. Form 4 or Form 5 obligations may continue.

See Instruction

Check this box

if no longer

subject to

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * 5. Relationship of Reporting Person(s) to 2. Issuer Name and Ticker or Trading ANDREWS MARK L ESQ Issuer Symbol MOLINA HEALTHCARE INC (Check all applicable) [MOH] (Last) (First) (Middle) 3. Date of Earliest Transaction

Director 10% Owner

Chief Legal Officer

X_ Officer (give title below)

_ Other (specify

2277 FAIR OAKS BOULEVARD, SUITE 440

(Street)

4. If Amendment, Date Original

Filed(Month/Day/Year)

(Month/Day/Year)

08/29/2006

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

SACRAMENTO, CA 95825

(City)	(State)	(Zip) Tab	ole I - Non-	-Derivative S	Secu	rities Acquir	red, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transacti Code (Instr. 8)	4. Securities oner Dispose (Instr. 3, 4) Amount	ed of ((D)	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)
Common Stock	08/29/2006		M	14,000	A	\$ 2	24,000	D	
Common Stock	08/29/2006		S	14,000	D	\$ 36.9976 (1)	10,000	D	
Common Stock	08/30/2006		M	7,600	A	\$ 2	17,600	D	
Common Stock	08/30/2006		S	7,600	D	\$ 37.4526 (2)	10,000	D	

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Common Stock	08/31/2006	M	8,400	A	\$ 2	18,400	D
Common Stock	08/31/2006	S	8,400	D	\$ 37.4718 (3)	10,000 (4)	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)

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. Transactic Code (Instr. 8)	5. Number of or 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 o Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Share
Stock Option (Right to Buy)	\$ 2	08/29/2006		M	14,000	05/01/2001	12/07/2008	Common Stock	14,000
Stock Option (Right to Buy)	\$ 2	08/30/2006		M	7,600	05/01/2001	12/07/2008	Common Stock	7,600
Stock Option (Right to Buy)	\$ 2	08/31/2006		M	8,400	05/01/2001	12/07/2008	Common Stock	8,400
Stock Option (Right to Buy)	\$ 4.5					07/02/2003(5)	12/01/2011	Common Stock	72,000
Stock Option (Right to Buy)	\$ 25.33					02/10/2005(6)	02/10/2014	Common Stock	30,000
	\$ 44.29					07/01/2006 <u>(7)</u>	07/01/2015		12,000

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Stock Common Option Stock

(Right to Buy)

Stock

Option (Right to \$28.66 \quad \text{02/02/2007} \frac{(8)}{\text{Stock}} \quad \text{02/02/2016} \quad \text{Common Stock} \quad \text{21,000}

Buy)

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer

ANDREWS MARK L ESQ 2277 FAIR OAKS BOULEVARD, SUITE 440 SACRAMENTO, CA 95825

Chief Legal Officer

Other

Signatures

Mark L. 08/31/2006

**Signature of Date
Reporting Person

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) Represents the weighted average sale price of 12 sales on 8/29/2006.
- (2) Represents the weighted average sale price of 7 sales on 8/30/2006.
- (3) Represents the weighted average sale price of 13 sales on 8/31/2006.
- (4) 4,000 of the 10,000 shares vest in 1,000 share increments on each of 7/1/2007, 7/1/2008, 7/1/2009, and 7/1/2010. 1,000 of the shares are fully vested and freely transferable. 5,000 shares are fully vested but subject to a restriction on transfer until 8/2/2007.
- (5) The options became fully exercisable upon the closing of the initial public offering of the issuer in July 2003.
- (6) The options vest in one-third increments on each of 2/10/2005, 2/10/2006, and 2/10/2007.
- (7) The options vest in one-third increments on each of 7/1/2006, 7/1/2007, and 7/1/2008.
- (8) The options vest in one-third increments on each of 2/2/2007, 2/2/2008, and 2/2/2009.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

Reporting Owners 3