

MOLINA HEALTHCARE INC
 Form 4
 November 14, 2006

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 *
RICHARDSON SALLY K

(Last) (First) (Middle)

2277 FAIR OAKS BOULEVARD,
 SUITE 440

(Street)

SACRAMENTO, CA 95825

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
**MOLINA HEALTHCARE INC
 [MOH]**

3. Date of Earliest Transaction
 (Month/Day/Year)
11/13/2006

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director 10% Owner
 Officer (give title below) Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

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 | 11/13/2006 | | D ⁽¹⁾ | 7,032 D \$ 33.73 | 8,268 ⁽²⁾ | D | |
| Common Stock | 11/13/2006 | | M | 8,000 A \$ 16.98 | 16,268 ⁽²⁾ | D | |
| Common Stock | 11/13/2006 | | M | 4,000 A \$ 25.33 | 20,268 ⁽²⁾ | D | |

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

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SEC 1474
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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 Option (Right to Buy) | \$ 16.98 | 11/13/2006 | | M | 8,000 | ⁽³⁾ 01/01/2013 | Common Stock | 8,000 |
| Stock Option (Right to Buy) | \$ 25.33 | 11/13/2006 | | M | 4,000 | ⁽³⁾ 02/10/2014 | Common Stock | 4,000 |

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

RICHARDSON SALLY K
2277 FAIR OAKS BOULEVARD, SUITE 440 X
SACRAMENTO, CA 95825

Signatures

Sally K. Richardson, by Jeff D. Barlow,
Attorney-in-Fact.

11/14/2006

**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 disposition to the issuer related to outstanding shares held by the reporting person for over one year and was made in exercise of an aggregate of 12,000 stock options on 11/13/2006.
- (2) 2,500 of the shares listed are unvested, with 1,250 of the shares to vest on each of December 31, 2006 and March 31, 2007.
- (3) The options are exercisable immediately.

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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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