

HOWATT JAMES W
Form 4
March 04, 2008

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 *
HOWATT JAMES W

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)
2277 FAIR OAKS BOULEVARD,
SUITE 440

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
03/01/2008

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
Chief Medical 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	03/01/2008		A ⁽¹⁾		12,200	A	\$ 0
Common Stock	03/01/2008		F		236	D	\$ 33.51
Common Stock	03/01/2008		F		268	D	\$ 31.65

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)

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 Purchase)	\$ 29.77					02/09/2007 ⁽⁵⁾ 02/09/2016	Common Stock	3,350
Stock Options (Right to Purchase)	\$ 31.32					03/01/2008 ⁽⁶⁾ 03/01/2017	Common Stock	2,000
Stock Options (Right to Purchase)	\$ 32.01					05/29/2008 ⁽⁷⁾ 05/29/2017	Common Stock	9,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HOWATT JAMES W 2277 FAIR OAKS BOULEVARD, SUITE 440 SACRAMENTO, CA 95825			Chief Medical Officer	

Signatures

Jeff D. Barlow, by power of attorney for James W. Howatt 03/04/2008

__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) Grant of restricted shares under the issuer's 2002 Equity Incentive Plan. The shares vest in one-quarter increments on each of 3/1/2009, 3/1/2010, 3/1/2011 and 3/1/2012.

(2) The withholding amount for taxes applied effective as of March 1, 2008 was calculated using the closing price of our common stock on February 9, 2008 of \$33.51.

(3) Represents the closing price on Friday, February 29, 2008.

550 shares vest on 2/9/2009. 3,050 of the shares vest in one-quarter increments on each of 5/29/2008, 5/29/2009, 5/29/2010, and 5/29/2011. 12,200 of the shares vest in one-quarter increments on each of 3/1/2009, 3/1/2010, 3/1/2011, and 3/1/2012. The remainder of the shares are fully vested.

(5) The options vest in one-third increments on each of 2/9/2007, 2/9/2008, and 2/9/2009.

(6) The options vest in one-quarter increments on each of 3/1/2008, 3/1/2009, 3/1/2010, and 3/1/2011.

(7) The options vest in one-quarter increments on each of 5/29/2008, 5/29/2009, 5/29/2010, and 5/29/2011.

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.