

HOWATT JAMES W
Form 4
March 04, 2008

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 *
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)

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

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

Chief Medical Officer

2277 FAIR OAKS BOULEVARD,
SUITE 440

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

6. Individual or Joint/Group Filing(Check Applicable Line)

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

(Street)
SACRAMENTO, CA 95825

(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.

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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. 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.

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