

MOLINA HEALTHCARE INC
 Form 4
 March 08, 2006

FORM 4

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

OMB APPROVAL

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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 *
FEIN HARVEY A

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 BLVD, STE 440
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/06/2006

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
VP, Internal Auditing

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | | | | | 6,098 ⁽¹⁾ | D | |
| Common Stock | 03/06/2006 | | M | 3,000 A \$ 2 | 9,098 | D | |
| Common Stock | 03/06/2006 | | M | 1,000 A \$ 4.5 | 10,098 | D | |
| Common Stock | 03/06/2006 | | D | 4,000 D \$ 28.8278 ⁽²⁾ | 6,098 | D | |
| Common Stock | 03/07/2006 | | M | 13,000 A \$ 2 | 19,098 | D | |

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| | | | | | | | |
|--------------|------------|---|--------|---|------------------|-------|---|
| Common Stock | 03/07/2006 | D | 13,000 | D | \$ 29,222 (3) | 6,098 | D |
|--------------|------------|---|--------|---|------------------|-------|---|

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) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Stock Options (Right to Buy) | \$ 2 | 03/06/2006 | | M | 3,000 | (4) 09/21/2009 | | Common Stock | 3,000 |
| Stock Options (Right to Buy) | \$ 4.5 | 03/06/2006 | | M | 1,000 | (5) 12/27/2010 | | Common Stock | 1,000 |
| Stock Options (Right to Buy) | \$ 2 | 03/07/2006 | | M | 13,000 | (4) 09/21/2009 | | Common Stock | 13,000 |
| Stock Options (Right to Buy) | \$ 25.33 | | | | | 02/10/2005(6) 02/10/2014 | | Common Stock | 7,500 |
| Stock Options (Right to Buy) | \$ 44.29 | | | | | 07/01/2006(7) 07/10/2015 | | Common Stock | 4,500 |
| Stock Options (Right to Buy) | \$ 28.66 | | | | | 02/02/2007(8) 02/02/2016 | | Common Stock | 5,418 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| FEIN HARVEY A 2277 FAIR OAKS BLVD, STE 440 SACRAMENTO, CA 95825 | | | VP, Internal Auditing | |

Signatures

Harvey A. Fein, by Jeff D. Barlow,
Attorney-in-Fact.

03/08/2006

__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) 5,098 of the shares are fully vested, although 3,000 of such vested shares are subject to a restriction on transfer until August 2, 2007. The 1,000 unvested shares will vest in one-fifth increments on each of 7/1/2006, 7/1/2007, 7/1/2008, 7/1/2009, and 7/1/2010.
 - (2) Represents the weighted average sales price of 8 sales made on 3/6/2006.
 - (3) Represents the weighted average sales price of 6 sales made on 3/7/2006.
 - (4) The options became fully exercisable as of 5/1/2002.
 - (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.