MOLINA HEALTHCARE INC

Form 4 March 07, 2006

FORM 4

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

OMB 3235-0287 Number:

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, Expires: 2005 Estimated average

OMB APPROVAL

Form 4 or Form 5 obligations may continue.

See Instruction

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

burden hours per response... 0.5

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * ZARZA-GARRIDO JOANN	2. Issuer Name and Ticker or Trading Symbol	5. Relationship of Reporting Person(s) t Issuer			
	MOLINA HEALTHCARE INC [MOH]	(Check all applicable)			
(Last) (First) (Middle) 2277 FAIR OAKS BOULEVARD, SUITE 440	3. Date of Earliest Transaction (Month/Day/Year) 03/03/2006	Director 10% OwnerX_ Officer (give title Other (specibelow) below) CEO of Molina of California			
(Street)	4. If Amendment, Date Original Filed(Month/Day/Year)	6. Individual or Joint/Group Filing(Chec Applicable Line) _X_ Form filed by One Reporting Person			
SACRAMENTO, CA 95825		Form filed by More than One Reporting Person			

(City)	(State)	(Zip) Tabl	le I - Non-I	Derivative	e Secu	rities Acqu	ired, 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. Transactic Code (Instr. 8)	4. Securities Acquired n(A) or Disposed of (D) (Instr. 3, 4 and 5) (A) or Amount (D) Price		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							6,507 <u>(1)</u>	D	
Common Stock	03/03/2006		S	1,000	A	\$ 30.601	5,507	D	

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

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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. Transactic Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisab Expiration Date (Month/Day/Year		7. Title and A Underlying S (Instr. 3 and	Securities 1
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	\$ 37.15					10/11/2005(2)	10/11/2014	Common Stock	9,000
Stock Options (Right to Buy)	\$ 44.29					07/01/2006(3)	07/01/2015	Common Stock	3,000
Stock Options (Right to Buy)	\$ 28.66					02/02/2007(4)	02/02/2016	Common Stock	8,100

Reporting Owners

Reporting Owner Name / Address						
	Director	10% Owner	Officer	Other		

ZARZA-GARRIDO JOANN 2277 FAIR OAKS BOULEVARD, SUITE 440 SACRAMENTO, CA 95825

CEO of Molina of California

Relationships

De

Signatures

Joann Zarza-Garrido, by Jeff D. Barlow, Attorney-in-Fact.

**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)

Reporting Owners 2

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5,507 of the shares are fully vested, with 2,007 of such shares being freely transferable, and 3,500 of such shares being subject to a restriction on transfer until August 2, 2007. Of the 1,000 unvested shares, 200 shares vest on each of 7/1/2006, 7/1/2007, 7/1/2008, 7/1/2009, and 7/1/2010.

- (2) The options vest one-third on each of 10/11/2005, 10/11/2006, and 10/11/2007.
- (3) The options vest one-third on each of 7/1/2006, 7/1/2007, and 7/1/2008.
- (4) The options vest one-third 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.