



QualMed of Washington Announces its New Name --MOLINA HEALTHCARE OF WASHINGTON

July 17, 2000

(BELLEVUE, WA) QualMed Washington Health Plan has officially changed its name to Molina Healthcare of Washington, Inc. The new name represents the final stage of QualMed's complete integration as a subsidiary of Molina Healthcare, Inc. a healthcare company based in Long Beach, California, with other subsidiaries in California, Utah and Michigan and over 260,000 members. Molina Healthcare assumed control of the health plan license and QualMed's Healthy Options and Basic Health Plan operations in January 2000.

Molina Healthcare of Washington is committed to providing quality service to health plan members in 28 counties covering Western and Eastern Washington.

Molina Healthcare of Washington's Healthy Options line of business covers the metro-Seattle area and Inland Northwest regions including Spokane, Yakima, Tri-Cities and North Central Washington. Molina also participates with the Basic Health Plan in Spokane and Lincoln counties. With offices located in Bellevue and Spokane, Molina has one of the largest networks of physicians, hospitals and ancillary healthcare professionals in the state serving Healthy Options patients.

Molina Healthcare of Washington has served Healthy Options patients since 1995. Moreover, for 20 years, its sister company--Molina Healthcare of California--has specialized in providing healthcare coverage to traditionally underserved individuals who have lacked access to health care. For these individuals, Molina Healthcare continues to emphasize personalized care that places the physician in the central role of managing healthcare.

"We are very experienced in serving this population and plan to make a long-term commitment to providing quality care to our patients in western and eastern Washington," says J. Mario Molina, MD, President of Molina Healthcare.