

MOLINA HEALTHCARE, INC.

COMPLIANCE AND QUALITY COMMITTEE CHARTER

PURPOSE

The Compliance and Quality Committee is appointed by the Board of Directors of the Company (the “Board”) to assist the Board in fulfilling its oversight responsibilities. The Compliance and Quality Committee’s purposes shall include but not be limited to:

- Together with the Audit Committee, assisting the Board in its oversight of the Company’s compliance with applicable legal, regulatory, and quality requirements.
- Providing an additional avenue of communication between: (i) management, the Compliance Department, and the Quality Department; and (ii) the Board.
- Relative to compliance activities, the Audit Committee shall have sole oversight over matters of financial compliance (e.g., accounting, auditing, financial reporting, and investor disclosures). As to all other areas of compliance, the Compliance and Quality Committee shall have oversight responsibility in the first instance. However, the two committees shall confer regarding material compliance matters.
- Relative to quality activities, assist the Company’s Board of Directors in the general oversight of the Company’s quality-related activities, policies, and practices that relate to promoting member health, providing access to cost-effective quality health care, and advancing safety and efficacy for members.

COMPOSITION AND QUALIFICATIONS

The Compliance and Quality Committee shall consist of two or more directors (as determined from time to time by the Board), appointed by, and who serve at the pleasure of, the Board upon the recommendation of the Corporate Governance and Nominating Committee. The Board shall designate one of the members of the Compliance and Quality Committee as its chairperson. The Board may, by majority vote, remove members of the Compliance and Quality Committee.

RESPONSIBILITIES AND DUTIES

The Compliance and Quality Committee’s responsibilities and duties include but are not limited to the following:

1. Ensure proper communication of significant compliance and quality issues to the full Board of Directors.
2. Review significant risk areas related to compliance and quality and the steps management has taken to monitor, control, and report such risk exposures.

3. Monitor the effectiveness of the Company's compliance and quality programs and recommend improvements as necessary or appropriate.
4. Annually review and assess the effectiveness of the Compliance and Quality Committee and the adequacy of the reporting and information flows it is receiving, and make such changes as are necessary to maintain and enhance the Compliance and Quality Committee's effectiveness.
5. Conduct any investigation appropriate to fulfill its responsibilities.
6. Speak directly and independently with any Company personnel in discharging its responsibilities.
7. Perform all other duties and responsibilities delegated to the Committee by the Board.
8. Perform such other activities from time to time as are necessary or appropriate consistent with this Charter and the Company's Bylaws.

MEETINGS AND ACTION BY WRITTEN CONSENT

The Compliance and Quality Committee shall meet at least two times annually or more frequently if circumstances dictate. Two members shall constitute a quorum. A majority of the members present may decide any question brought before the Compliance and Quality Committee. At the discretion of the Compliance and Quality Committee, the non-voting management liaison to the Compliance and Quality Committee designated by the Board shall attend Compliance and Quality Committee meetings. The Compliance and Quality Committee may act outside of meetings by unanimous written consent of its members.

OUTSIDE ADVISERS

The Compliance and Quality Committee, in its sole discretion, shall have the authority to retain or obtain the advice of one or more consultants, independent legal counsel, or other advisers. The Compliance and Quality Committee shall be directly responsible for the appointment, compensation, retention, and oversight of the work of any such advisers retained by the Compliance and Quality Committee. In addition, the Company shall provide appropriate funding, as determined by the Compliance and Quality Committee, for the payment of reasonable compensation to such consultants, independent legal counsel, and other advisers retained by the Compliance and Quality Committee.

The Compliance and Quality Committee's responsibilities and powers as delegated by the Board are set forth in this Compliance and Quality Committee Charter. The Compliance and Quality Committee relies to a significant extent on information and advice provided by management and independent advisors.