FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

| 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).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934

| | | | | | or | Section | n 30(h | n) of the | e Investme | ent Co | ompany Act | of 1940 | | | | | | |
|--|---|--|---|---------|---|---|--------|---|---|--|----------------------|--|--|--|--|--------------------------------------|--|--|
| 1. Name and Address of Reporting Person* BAYER TERRY | | | | | | 2. Issuer Name and Ticker or Trading Symbol MOLINA HEALTHCARE INC [MOH] | | | | | | | | | o of Reportin licable) tor er (give title | g Pers | son(s) to Issu 10% Ow Other (s | mer |
| (Last) (First) (Middle) 2277 FAIR OAKS BOULEVARD SUITE 440 | | | | | 3. Date of Earliest Transaction (Month/Day/Year) 12/31/2009 | | | | | | | | | X Officer (give title Officer (Specific Specific | | | | |
| (Street) SACRAMENTO CA 95825 | | | | | _ 4. l | 4. If Amendment, Date of Original Filed (Month/Day/Year) | | | | | | | | Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person Form filed by More than One Reporting Person | | | | |
| (City) | (Si | | (Zip) | | <u> </u> | | | | | | | | | | | | | |
| Table I - Non-Deriva 1. Title of Security (Instr. 3) 2. Transac Date (Month/Da | | | | ction | 2A Ex | Deemed ecution Date, | | 3. Transaction Code (Instr. | | 4. Securities Acquired (A) Disposed Of (D) (Instr. 3, | | l (A) or | 5. Amo Securi Benefi Owned | ount of ties cially Following | Form (D) o | n: Direct or Indirect nstr. 4) | 7. Nature of Indirect Beneficial Ownership | |
| | | | | | | | | Code | v | Amount | (A) or (D) | Price | | norted nsaction(s) tr. 3 and 4) | | | (Instr. 4) | |
| Common Stock 12/31/2 | | | | | /2009 | | | | A ⁽¹⁾ | | 30 | A | \$22.87 | ⁷⁽²⁾ 46 | 082(3) | | D | |
| | | ٦ | Table II | | | | | | | | osed of, converti | | | y Owned | | | | |
| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deem Execution if any (Month/D | n Date, | | saction c e (Instr. E S A (| | rative rities iired r osed) | 6. Date Exercisa Expiration Date (Month/Day/Yea | | • | 7. Title and Amou of Securities Underlying Derivative Securit (Instr. 3 and 4) | | 8. Price of Derivative Security (Instr. 5) | | e s lly | 10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
| | | | | | Code | v | (A) | (D) | Date Exercisab | le | Expiration Date | Title | Amount or Number of Shares | | | | | |
| Stock Options (Right to Buy) | \$44.29 | | | | | | | | (4) | | 07/01/2015 | Common Stock | 21,000 | | 21,000 | 0 | D | |
| Stock Options (Right to Buy) | \$28.66 | | | | | | | | (4) | | 02/02/2016 | Common Stock | 21,000 | | 21,000 | 0 | D | |
| Stock Options (Right to | \$31.32 | | | | | | | | 03/01/200 | 8 ⁽⁵⁾ | 03/01/2017 | Common Stock | 11,000 | | 11,000 | 0 | D | |

Explanation of Responses:

- 1. The shares were acquired under the Molina Healthcare, Inc. 2002 Employee Stock Purchase Plan.
- 2. Represents closing price of issuer's common stock on 12/31/2009.
- 3. Increments of 3,400 shares vest on each of 3/1/2010, 3/1/2011, 3/1/2012, and 3/1/2013; additional increments of 3,400 shares vest on each of 3/1/2010, 3/1/2011, and 3/1/2012; and increments of 1,387 shares vest on each of 3/1/2010 and 3/1/2011. The remainder of the shares are vested.
- 4. The options are vested and exercisable.
- 5.5,500 of the options are vested. The remainder vest in increments of 2,750 options on each of 3/1/2010 and 3/1/2011.

Jeff D. Barlow, by power of attorney for Terry Bayer.

01/05/2010

** Signature of Reporting Person

Date

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

- * 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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 Number.

Know all by these presents, that the undersigned hereby constitutes and appoints Mark L. Andrews and Jeff D. Barlow, and each acting singly, the undersigned's true and lawful attorney-in-fact to:

- 1) execute for and on behalf of the undersigned, in the undersigned's capacity as an officer, director and/or stockholder of Molina Healthcare, Inc. (the "Company"), Forms ID, 3, 4, and 5 and amendments thereto in accordance with Section 16(a) of the Securities Exchange Act of 1934 and the rules thereunder; and
- 2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Forms ID, 3, 4, or 5 or amendment thereto and timely file such form with the United States Securities and Exchange Commission (the "SEC") and any stock exchange or similar authority.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this Power of Attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms ID, 3, 4, and 5 with respect to the undersigned's holdings of and transaction in securities of the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact. This Power of Attorney may be filed with the SEC as a confirming statement of the authority granted herein.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 8th day of October, 2004.

/s/ Terry Bayer Signature

Terry Bayer Printed Name

Exhibit 24.1