



Molina Healthcare Selected for Statewide Medicaid Contract Award in Illinois

August 15, 2017

SPRINGFIELD, Ill.--(BUSINESS WIRE)--Aug. 15, 2017-- Molina Healthcare, Inc. (NYSE: MOH) today announced that its wholly owned subsidiary, Molina Healthcare of Illinois, Inc., has been selected by the Illinois Department of Healthcare and Family Services (HFS) to enter into a statewide Medicaid managed care contract.

The State's request for proposal (RFP) initiates a transformation of its health and human services system that was first announced by Governor Bruce Rauner in his 2016 State of the State address. The goals of this initiative are to: align state and Managed Care Organization objectives to enhance quality and improve outcomes; increase the integration of behavioral and physical health; streamline current managed care programs and reduce complexity for enrollees and providers; achieve greater managed care coverage across the state; and control costs without compromising quality or access.

"Molina is thrilled to expand its Medicaid footprint in the state by coordinating and offering fully integrated managed care to Medicaid beneficiaries in all regions," said Mike Jones, president of Molina Healthcare of Illinois, Inc. "For more than 35 years, Molina Healthcare has been able to achieve cost savings while improving health outcomes through care coordination, commitment to quality and a focus on preventive care. We are excited and optimistic about playing a role in transforming the State's managed care program and look forward to delivering on our mission to serve those in need."

This Medicaid contract further integrates behavioral health and physical health by combining the State's three current managed care programs – Integrated Care Plan (ICP), Family Health Plans/ACA Adults (FHP/ACA) and Managed Long Term Services and Supports (MLTSS) into one program. The new program will continue to cover Medicaid-eligible families and children, childless adults, seniors and other persons with disabilities and dual-eligible adults receiving LTSS. In addition, coverage will be extended to cover special needs children. Mandatory managed care will be extended from the current 30 counties to all 102 counties in Illinois and will help the State achieve its goal of enrolling 80 percent of the Medicaid-eligible population into managed care.

Molina Healthcare of Illinois was selected by HFS pursuant to its RFP issued in February 2017. The start date for the new four-year contract is scheduled for January 1, 2018, with options to renew annually for up to four additional years.

About Molina Healthcare of Illinois

Since 2013, Molina Healthcare of Illinois' mission has been to provide government-funded, quality health care to low-income individuals. As of March 2017, the Company serves approximately 194,000 members through Medicaid and Medicare-Medicaid (duals) health programs. Molina's service area includes 13 counties throughout Illinois. Molina's state provider network includes 5,912 primary care physicians, 21,013 specialist physicians, 1,152 ancillary services and 128 hospitals.

About Molina Healthcare

Molina Healthcare, Inc., a FORTUNE 500 company, provides managed health care services under the Medicaid and Medicare programs and through the state insurance marketplaces. Through our locally operated health plans in 12 states across the nation and in the Commonwealth of Puerto Rico, Molina serves approximately 4.8 million members. Dr. C. David Molina founded our company in 1980 as a provider organization serving low-income families in Southern California. Today, we continue his mission of providing high quality and cost-effective health care to those who need it most. For more information about Molina Healthcare, please visit our website at molinahealthcare.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This press release contains "forward-looking statements" regarding the selection of Molina Healthcare of Illinois to enter into a Medicaid managed care contract with the Illinois Department of Healthcare and Family Services. All forward-looking statements are based on current expectations that are subject to numerous risk factors that could cause actual results to differ materially. Such risk factors include, without limitation, a failure of the parties to finalize and execute the new contract, a delay in the start date for the new contract, a failure to satisfy readiness review requirements, a reversal of the contract awards in connection with a successful protest by another bidder, and results and performance issues under the new contract that are materially less favorable than those under the existing contract. Additional information regarding the risk factors to which we are subject is provided in greater detail in our periodic reports and filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K. These reports can be accessed under the investor relations tab of our website or on the SEC's website at sec.gov. Given these risks and uncertainties, we cannot give assurances that our forward-looking statements will prove to be accurate, or that any other results or events projected or contemplated by our forward-looking statements will in fact occur, and we caution investors not to place undue reliance on these statements. All forward-looking statements in this release represent our judgment as of the date hereof, and we disclaim any obligation to update any forward-looking statements to conform the statement to actual results or changes in our expectations that occur after the date of this release.

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