



Molina Healthcare to Acquire Medicaid Assets of Preferred Medical Plan

July 14, 2015

LONG BEACH, Calif.--(BUSINESS WIRE)--Jul. 14, 2015-- Molina Healthcare, Inc. (NYSE: MOH) and Preferred Medical Plan, Inc. (Preferred) today jointly announced that Molina Healthcare of Florida, Inc., a wholly owned subsidiary of Molina Healthcare, Inc., has entered into a definitive agreement to acquire certain assets of Preferred's Medicaid business in Florida.

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As a part of the transaction, Molina Healthcare of Florida will assume Preferred's Medicaid contract in Miami-Dade and Monroe Counties, as well as acquire certain assets related to the operation of its Medicaid business. The acquisition will complement Molina Healthcare's existing business in those counties. Molina Healthcare of Florida will fund the transaction with available cash on hand at the parent company. Subject to regulatory approvals and the satisfaction of other closing conditions, the closing of the transaction is expected to occur during the third quarter of 2015. Wells Fargo Securities served as the exclusive financial advisor to Preferred Medical Plan.

Since 1975, Preferred has provided comprehensive health care products in South Florida and currently serves approximately 25,000 Medicaid members.

"We are committed to providing continuity of care to our new members in South Florida and we will work closely with Preferred Medical Plan to coordinate a smooth transition," said Maritza Borrajeró, president of Molina Healthcare of Florida. "This transaction helps us to continue solidifying our presence in the region while also demonstrating our commitment to the Medicaid program and to the state."

About Molina Healthcare of Florida, Inc.

Molina Healthcare of Florida is contracted with the Florida Agency for Health Care Administration for both the Managed Medical Assistance (MMA) and Long-term Care (LTC) components of the Statewide Medicaid Managed Care (SMMC) program, serving a total of 25 counties under those combined programs. Molina Healthcare of Florida also operates Medicare Dual-Eligible Special Needs Plans in seven Florida counties, and offers certified Qualified Health Plans to individuals on the Florida Health Insurance Exchange in the non-group health insurance marketplace. Total enrollment across all products approximates 350,000 as of March 2015.

About Molina Healthcare, Inc.

Molina Healthcare, Inc., a FORTUNE 500 company, provides managed health care services under the Medicaid and Medicare programs and through the state insurance marketplaces. Molina serves more than 3 million members through locally operated health plans in 11 states across the nation and in the Commonwealth of Puerto Rico. Doctor C. David Molina founded the company in 1980 as a provider organization serving low-income families in Southern California. Today, the company continues 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 molinahealthcare.com.

About Preferred Medical Plan, Inc.

Since 1975, Preferred Medical Plan has been a leader in providing comprehensive health care products in Florida. The company operates Medicaid and Marketplace health plans in South Florida. More information about Preferred Medical Plan is available at pmpmarketplace.com.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This press release contains "forward-looking statements" regarding the proposed transaction between Preferred Medical Plan, Inc. and Molina Healthcare of Florida, Inc. 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, risks related to: the satisfaction or waiver of closing conditions for the transaction, successfully transitioning and integrating Preferred Medical Plan's members into Molina's Florida health plan, attrition in membership pending the completion of and following the transition, maintaining provider relations, accurately estimating incurred but not reported medical costs with respect to this new population, and the possibility that the transaction will not be completed on a timely basis or at all. Additional information regarding the risk factors to which Molina Healthcare is subject is provided in greater detail in its periodic reports and filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K. These reports can be accessed under the investor relations tab of Molina Healthcare's website or on the SEC's website at sec.gov. Given these risks and uncertainties, Molina Healthcare can give no assurances that its 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 Molina Healthcare cautions investors not to place undue reliance on these statements. All forward-looking statements in this release represent Molina Healthcare's judgment as of the date hereof, and Molina Healthcare disclaims 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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Source: Molina Healthcare, Inc.

Molina Healthcare, Inc.

Investor Relations:

Juan José Orellana, 562-435-3666

or

Public Relations:

Sunny Yu, 562-477-1608
or
Preferred Medical Plan, Inc.
Albert Arca, 305-648-4010
President