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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**FORM 8-K**

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**Current Report**

**Pursuant to Section 13 OR 15(d) of the Securities Exchange Act of 1934**

**Date of Report (Date of earliest event reported): November 8, 2024**

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**MOLINA HEALTHCARE, INC.**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of incorporation)

**1-31719**  
(Commission File Number)

**13-4204626**  
(IRS Employer Identification No.)

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**200 Oceangate, Suite 100, Long Beach, California**  
(Address of principal executive offices)

**90802**  
(Zip Code)

**Registrant's telephone number, including area code: (562) 435-3666**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.001 Par Value	MOH	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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## Item 7.01. Regulation FD Disclosure.

As previously announced, Molina Healthcare, Inc. (the “Company”) will host its Investor Day Conference on November 8, 2024 beginning at 9:30 a.m. Eastern Time. At the event, the Company will provide updates, including on its performance, long-term financial targets and strategic and operational plans, including expectations regarding the Company’s growth strategy, anticipated RFP opportunities, and potential strategic transactions. In addition, the Company will reaffirm its full-year 2024 guidance. A copy of the Investor Day presentation materials is attached hereto as Exhibit 99.1 and incorporated herein by reference.

A live webcast of the Company’s Investor Day will be accessible on the Company’s investor relations website at [investors.molinahealthcare.com](https://investors.molinahealthcare.com). Instructions for accessing the webcast were previously provided in the Company’s press release issued on September 9, 2024 and can also be found on the Company’s investor relations website. A 30-day online replay of the Investor Day meeting will be available on the Company’s investor relations website shortly following the conclusion of the live webcast. The information contained in such website is not part of this Form 8-K.

Note: The information in this Form 8-K and the exhibit attached hereto shall not be deemed to be “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, except as expressly set forth by specific reference in such a filing.

## Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995

This Form 8-K contains forward-looking statements. The Company intends such forward-looking statements to be covered under the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act. Forward-looking statements provide current expectations of future events based on certain assumptions, and all statements other than statements of historical fact contained in this Form 8-K may be forward-looking statements. In some cases, you can identify forward-looking statements by words such as “guidance,” “future,” “anticipates,” “believes,” “embedded,” “estimates,” “expects,” “growth,” “intends,” “plans,” “predicts,” “projects,” “will,” “would,” “could,” “can,” “may,” or the negative of these terms or other similar expressions. Forward-looking statements contained in this Form 8-K include, but are not limited to, statements regarding our expected financial performance and upcoming events and presentations.

Actual results could differ materially due to numerous known and unknown risks and uncertainties. These risks and uncertainties are discussed under the headings “Forward-Looking Statements,” and “Risk Factors,” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023, which is on file with the U.S. Securities and Exchange Commission (the “SEC”), and in the Company’s other filings with the SEC, including its Quarterly Report on Form 10-Q for the period ended September 30, 2024, filed with the SEC.

These reports can be accessed under the investor relations tab of the Company’s website or on the SEC’s website at [sec.gov](https://sec.gov). Given these risks and uncertainties, the Company can give no assurances that its forward-looking statements will prove to be accurate, or that any other results or developments projected or contemplated by its forward-looking statements will in fact occur, and the Company cautions investors not to place undue reliance on these statements. All forward-looking statements in this Form 8-K represent the Company’s judgment as of November 8, 2024, and, except as otherwise required by law, the Company disclaims any obligation to update any forward-looking statement to conform the statement to actual results or changes in its expectations.

## Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

### Exhibit

#### No. Description

99.1 [Molina Healthcare, Inc. 2024 Investor Day Presentation, dated November 8, 2024.](#)

104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

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# Investor Day 2024 Value Creation: The Next Wave

November 8, 2024

## Value Creation: The Next Wave

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Topic	Speaker
Welcome and Introduction	Jeff Geyer
Sustaining Profitable Growth	Joe Zubretsky
Compelling Financial Profile	Mark Keim
Q&A	Joe Zubretsky Mark Keim Jim Woys

## Cautionary Statement

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### Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995:

This presentation and the accompanying oral remarks include forward-looking statements regarding, without limitation, the Company's growth strategy and long-term growth rate, embedded earnings and their realization, market share goals, the sustaining of our profit margins, Medicaid redeterminations or reverifications and the management of our medical costs, future RFPs and our RFP success rate, M&A activity and the sustaining of our acquisitions pipeline, Medicaid rates and Medicaid carve-ins and carve-outs, our 2024 guidance, our 2025 outlook, our long-term financial goals and projected earnings and EPS growth, and the Company's general business plans. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward looking statements contained in the Private Securities Litigation Reform Act of 1995. Readers and listeners are cautioned not to place undue reliance on any forward-looking statements as forward-looking statements are not guarantees of future performance, and the Company's actual results may differ materially due to numerous known and unknown risks and uncertainties. Those risks and uncertainties are discussed under Item 1A in the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, and also in the Company's quarterly reports, current reports, and other reports and filings with the Securities and Exchange Commission, or SEC. These reports can be accessed under the investor relations tab of the Company's website or on the SEC's website at [www.sec.gov](http://www.sec.gov). All forward looking statements in this presentation represent management's judgment as of November 8, 2024, and, except as otherwise required by law, the Company disclaims any obligation to update any forward-looking statements to conform the statement to actual results or changes in its expectations.



# Sustaining Profitable Growth

Joe Zubretsky  
President and Chief Executive Officer

## Our Historical Performance

Our track record sets the foundation for our long-term targets

<b>What We Said We Would Do</b> <i>(Prior Long-Term Targets)</i>	<b>What We Delivered</b> <i>(2019 to 2024G)</i>	<b>What We Will Do</b> <i>(2024G to 2027)</i>
<ul style="list-style-type: none"> <li>- 13% - 15% Premium CAGR</li> <li>- Organic growth current footprint</li> <li>- Strategic initiatives</li> <li>- Accretive acquisitions</li> <li>- 4% - 5% pre-tax margin</li> <li>- 15% - 18% EPS CAGR</li> </ul>	<ul style="list-style-type: none"> <li>- 19% Premium CAGR</li> <li>- \$6B from current footprint</li> <li>- \$7B from strategic initiatives</li> <li>- \$9B from acquisitions</li> <li>- 4.7% pre-tax margin</li> <li>- 15% EPS CAGR</li> </ul>	<ul style="list-style-type: none"> <li>- 11% - 13% Premium CAGR</li> <li>- \$5B from current footprint</li> <li>- \$4B-\$7B from strategic initiatives</li> <li>- \$5B from acquisitions</li> <li>- 4% - 5% pre-tax margin</li> <li>- 13% - 15% EPS CAGR</li> </ul>



## Performance Outlook

Our strategy will produce sustainable, profitable growth and industry leading margins

What We Will Do – The Next 3 Years		
Premium Revenue Growth	Pretax Margin	Adjusted EPS Growth
11% - 13%	4% - 5%	13% - 15%
7% - 9% Organic Growth	87.5% - 88.5% Medical Cost Ratio	11% - 13% Earnings Growth
~4% Acquisitions	< 7% G&A Ratio	~2% Share Repurchases
<i>...while continually refreshing embedded earnings to support forward growth</i>		

# Sustaining Profitable Growth

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 Value Creating Franchise

 The Growth Model

 Retrospective

 Operating Excellence

 Current Environment

 Performance Outlook

# Value Creating Franchise

## The Molina Franchise

A leading pure-play, government-sponsored managed care franchise with depth, breadth, and scale

FORTUNE  
**500**



**128**  
Ranking

**\$38B**  
Premium  
Revenue  
2024G

**5.7M**  
Members  
YE 2024

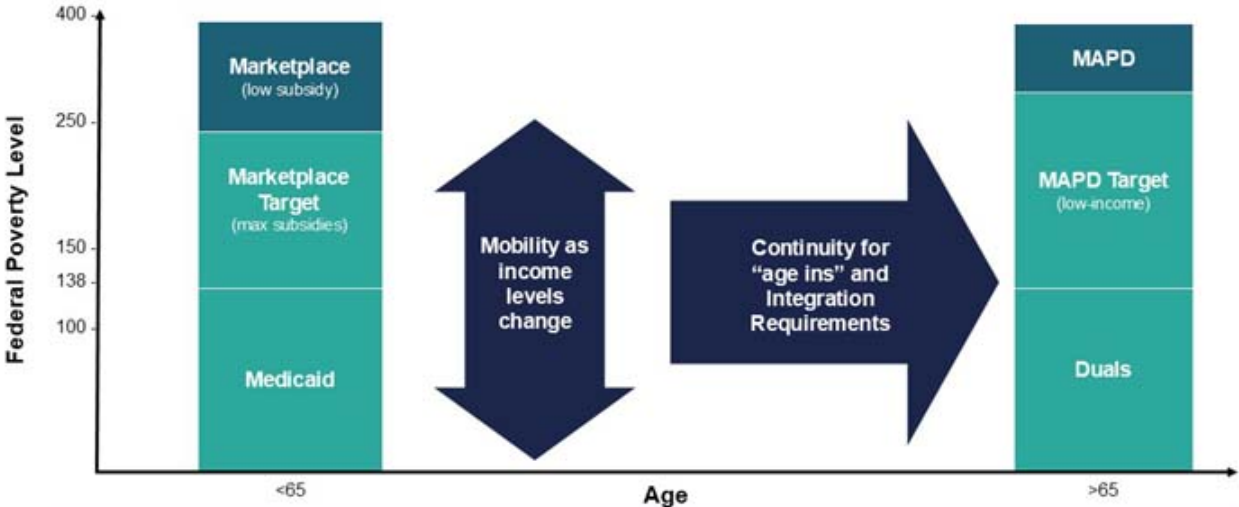
**21**  
States  
2024

**3**  
Products  
Medicaid, Medicare  
and Marketplace



# Portfolio Synergies

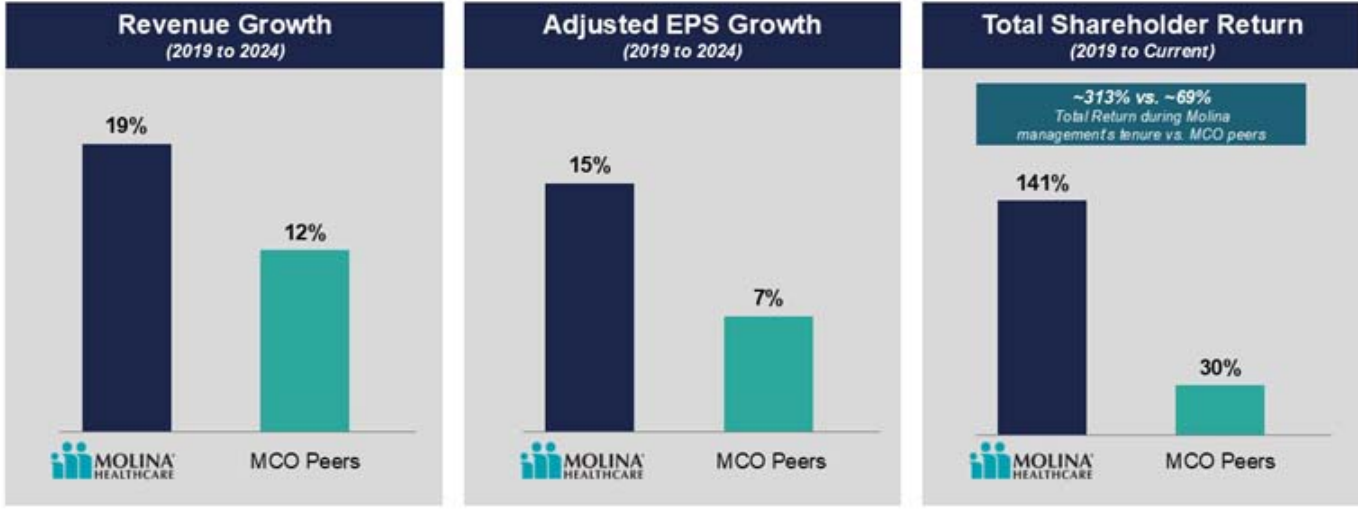
Synergistic product segments provide member continuity and leverage common capabilities



# Retrospective

# Long-Term Value Creation

A proven track record of industry-leading profitable growth and shareholder value creation

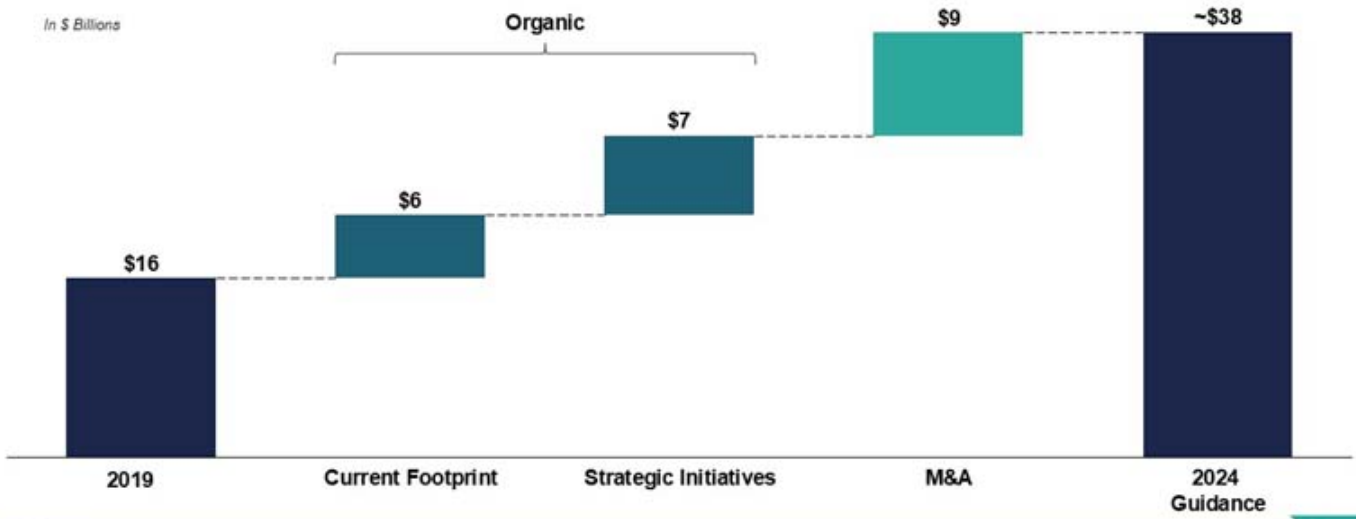




## Premium Revenue Growth

19% trailing five-year CAGR was well balanced between organic growth and M&A, more than doubling the size of the Company while maintaining industry leading margins

In \$ Billions



## Organic Premium Revenue Growth

Total organic premium growth of 11% was above the high end of our long-term range led by the Medicaid flagship

	Prior Long-term Target	2019 - 2024G Achieved
Medicaid	8% - 10%	12%
Medicare	11% - 13%	5%
Marketplace	5% - 8%	11%
Weighted Total	8% - 10%	11%

## RFP Wins and Accretive Acquisitions

A successful history of retaining existing contracts and delivering new store growth through RFP wins and accretive acquisitions



## Adjusted EPS Growth

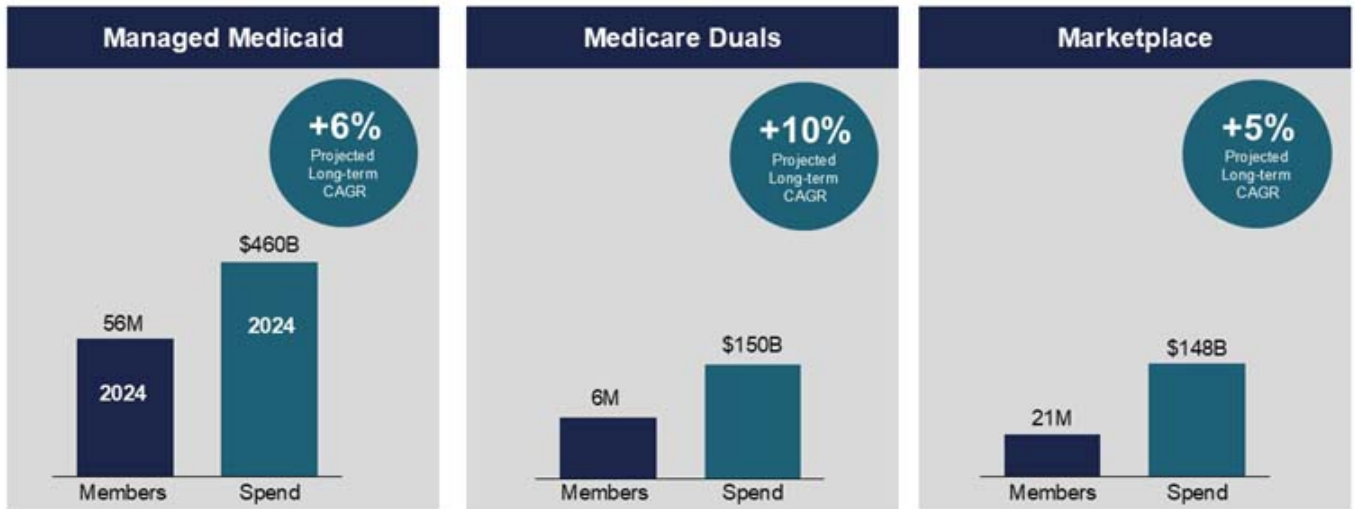
Adjusted EPS growth is achieved through current footprint and new store embedded earnings. \$6.00 remains for 2025 through 2027.



# Current Environment

## Government Managed Care Market

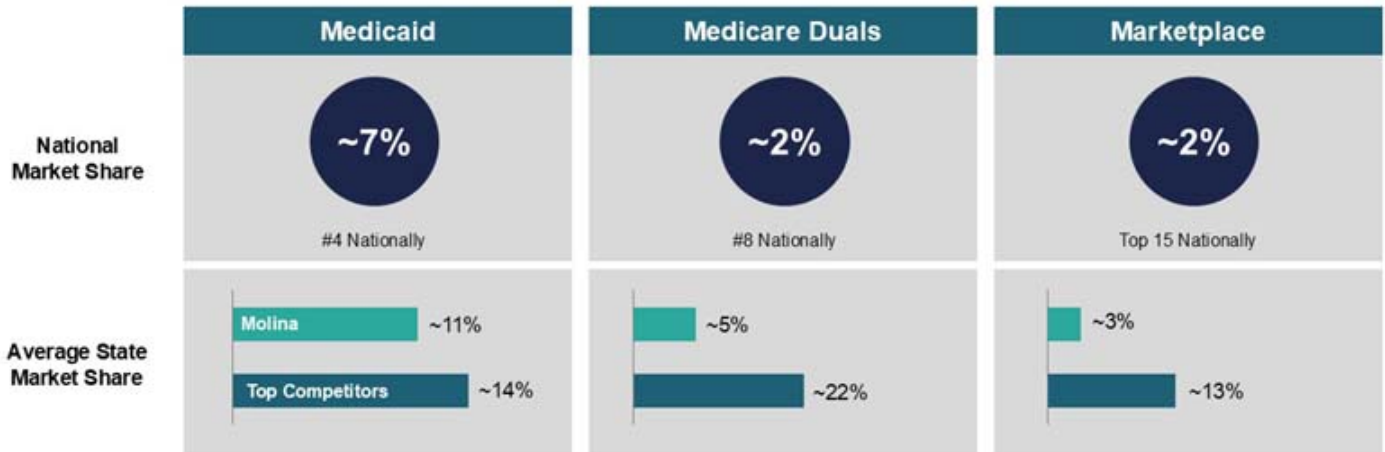
Addressable markets exceed \$750 billion in annual spend with attractive, profitable growth opportunities



Sources: CBO, CMS and IHE  
 Note: Medicare Duals includes O-SNP, HIDE, FIDE, MMP

## Molina Market Share Profile

Market shares across all segments are large enough for scale and relevancy but allow for substantial growth opportunity



Sources: Health Management Associates, State-reported data, CMS and Decision Resources Group  
 Note: Medicare Duals includes D-SNP, HIDE, FIDE, MMP

## Political and Regulatory Environment

We focus on the possible policy changes and what it would take to make them in any political scenario

Policies in Focus	Paths to Modify Policies
<p><b>Medicaid</b></p> <ul style="list-style-type: none"> <li>- Work requirements</li> <li>- Dual-eligible integration</li> <li>- Medicaid expansion</li> </ul>	<p><b>1</b> State-level legislation</p>
<p><b>Medicare</b></p> <ul style="list-style-type: none"> <li>- Risk adjustment &amp; Stars</li> <li>- Dual-eligible integration</li> <li>- Entitlement reform</li> </ul>	<p><b>2</b> Federal legislation &amp; Budget Reconciliation</p> <p><b>3</b> Executive Orders</p>
<p><b>Marketplace</b></p> <ul style="list-style-type: none"> <li>- Expiration of enhanced subsidies</li> <li>- Affordable Care Act repeal</li> <li>- Eligibility &amp; enrollment</li> </ul>	<p><b>4</b> Regulatory bodies and rulings</p> <p><b>5</b> Judicial rulings</p>

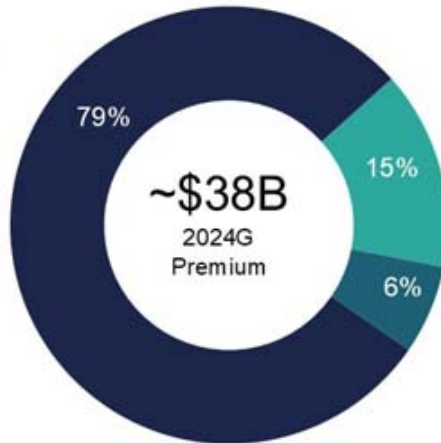


## Highly Attractive Business Mix

The current environment creates a very favorable outlook for all Molina segments

### Medicaid Environment

- Actuarially sound rates
- Expansion of entitlement programs
- Growth in low-wage service economy
- Growing penetration of managed Medicaid programs



### Medicare Duals Environment

- Duals growth projected to exceed traditional Medicare
- Shift towards integration of Medicare & Medicaid products

### Marketplace Environment

- Rational pricing environment with stable risk pools
- Significant opportunity if subsidies are extended

# The Growth Model

Medicaid / Medicare / Marketplace / Accretive M&A

## Long-Term Premium Revenue Growth Targets

Strong, balanced organic growth complemented by a disciplined acquisition strategy

### Organic Growth

Medicaid	7% - 9%
Medicare	12% - 14%
Marketplace	5% with Optionality
<b>Weighted Total</b>	<b>7% - 9%</b>

### Total Growth



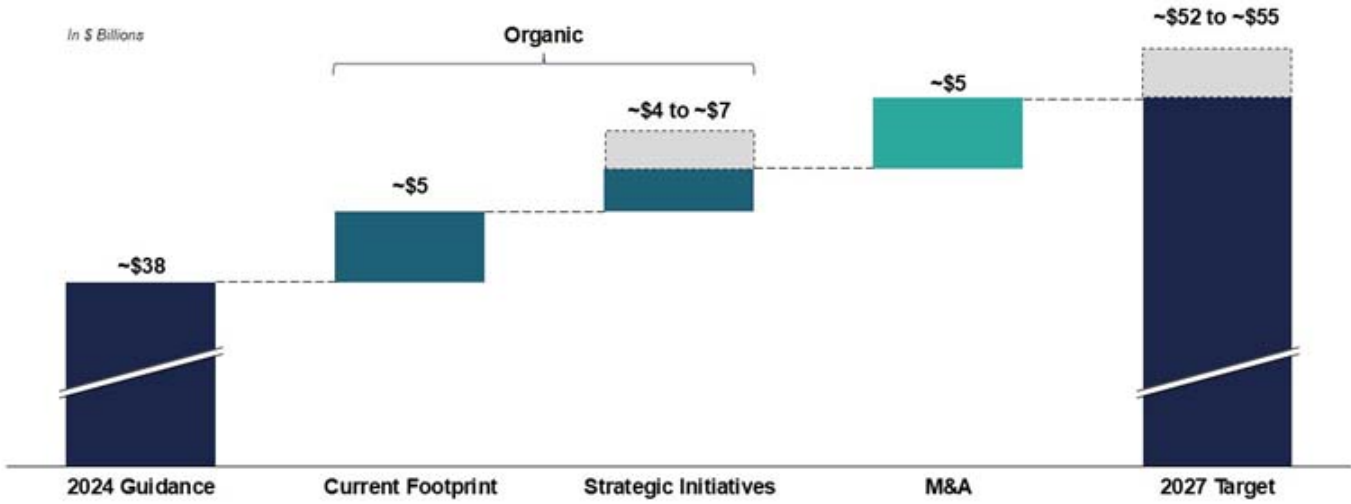
## The Growth Model

The growth model is well-balanced between organic drivers and accretive M&A



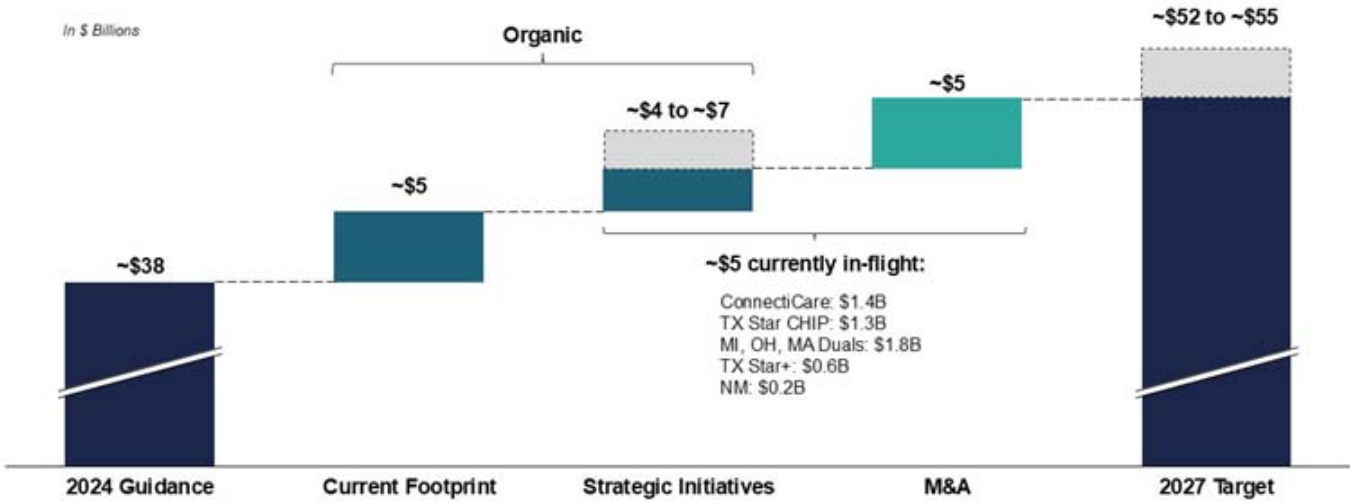
## 2027 Premium Revenue Target

Premium revenue growth target of 11% - 13% is well-balanced and maintains the trajectory to achieve the previous outlook of \$46 billion in 2026



## 2027 Premium Revenue Target

Of the \$9 to \$12 billion of premium revenue growth from strategic initiatives and M&A, approximately 50% has already been secured



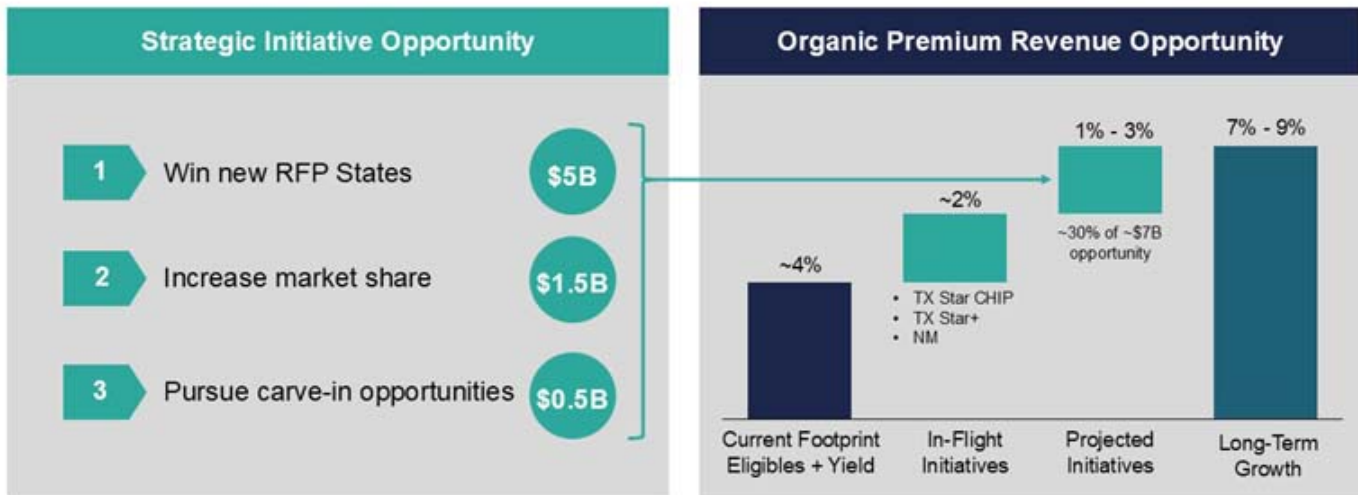
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# Medicaid

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## Medicaid Long-Term Growth

Long-term growth target of 7% - 9% is driven by the current footprint, in-flight initiatives, and projected strategic initiatives





## Sizing the New State RFP Opportunity

New state RFPs yield \$30 billion of revenue opportunity by 2027 with \$50 billion in active procurement cycle

<b>Contract Inception Year 2026</b>		<b>Annual Contract Value ~\$19B</b>
<b>2027</b>		<b>~\$11B</b>
<b>Total Contract Value</b>		<b>~\$30B</b>
<b>Projected Market Share</b>		<b>~15%</b>
<b>2027 Revenue Opportunity</b>		<b>~\$5B</b>
<b>2028</b>		<b>~\$20B</b>

## Molina's Proven RFP Formula

Our RFP approach is built on execution of proven business development capabilities and a track record of operational excellence

Target Selection Criteria	Formula Components
<ol style="list-style-type: none"> <li>1 Size and duration of contract</li> </ol>	<ol style="list-style-type: none"> <li>1 Effective ground game that starts two years before RFP</li> </ol>
<ol style="list-style-type: none"> <li>2 Strength of incumbents</li> </ol>	<ol style="list-style-type: none"> <li>2 Strong proposal writing team</li> </ol>
<ol style="list-style-type: none"> <li>3 Number of awardees</li> </ol>	<ol style="list-style-type: none"> <li>3 Demonstrated track record of program success and leading capabilities</li> </ol>
<ol style="list-style-type: none"> <li>4 Access to high-quality low-cost network</li> </ol>	<ol style="list-style-type: none"> <li>4 Clinical and operational innovation</li> </ol>
<ol style="list-style-type: none"> <li>5 Rational rate environment</li> </ol>	

## Increase Market Share

Focus on fundamental operating tactics will drive significant market share gain opportunity



### Actions

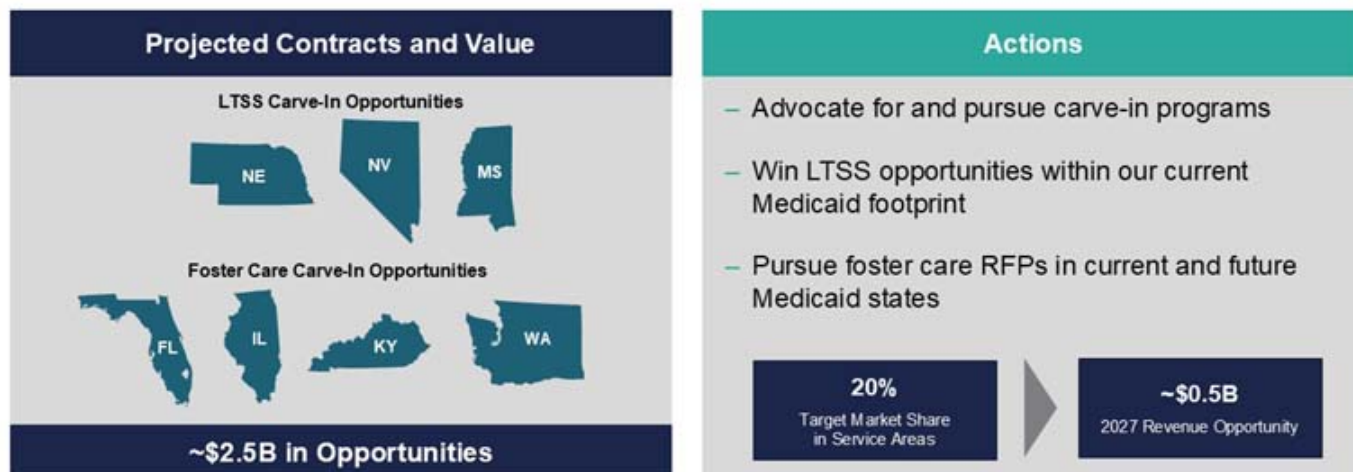
- Engage providers to drive membership loyalty
- Improve quality scores to drive auto assignment
- Increase voluntary enrollment through community presence and awareness
- Redetermination assistance to keep eligible members

**1%**  
Incremental Service Area  
Market Share

**~\$1.5B**  
2027 Revenue Opportunity

## Pursue Carve-in Opportunities

Maximize carve-in opportunities as states increasingly leverage managed care's capabilities



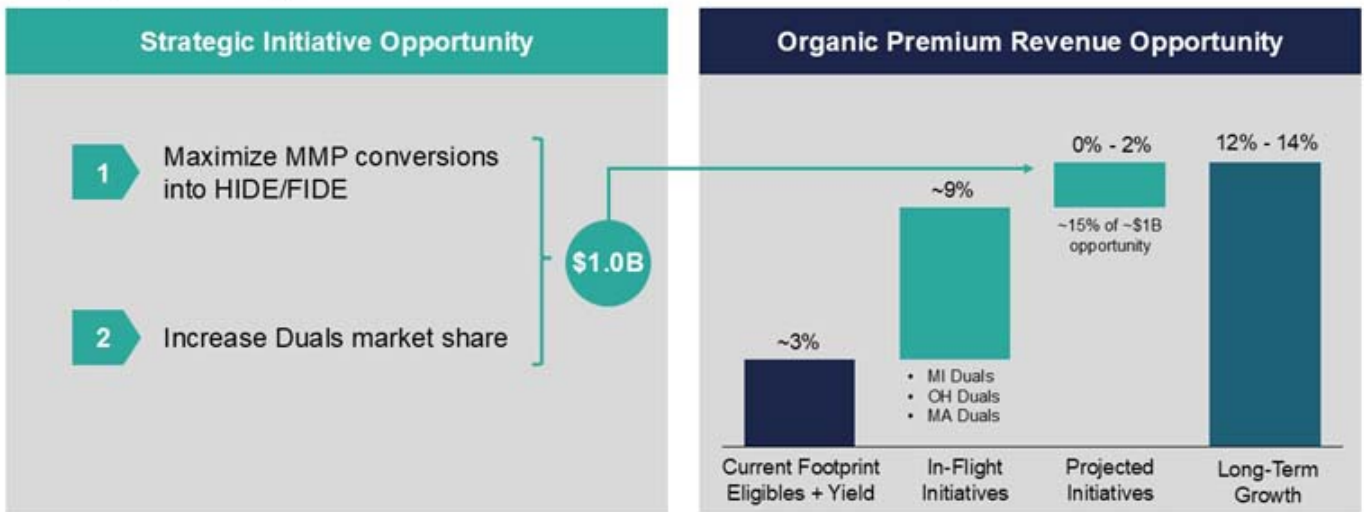
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# Medicare

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## Medicare Long-Term Growth

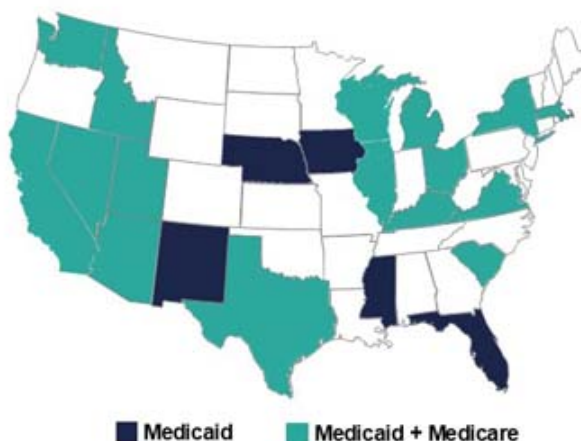
Long-term growth target of 12% - 14% is driven by the current footprint, in-flight initiatives, and projected strategic initiatives



## Molina Strategic Position

Our Medicare segment is largely comprised of Duals products with significant overlap of Medicaid plans in 16 states as we leverage our Medicaid footprint

Product	States	2024G Members (K)	2024G Premium (B)
MMP	5	50	\$1.8
DSNP / HIDE / FIDE	15	120	\$3.0
<b>Total Duals</b>	<b>16</b>	<b>170</b>	<b>\$4.8</b>
<b>Non-Duals</b>	<b>15</b>	<b>80</b>	<b>\$0.8</b>
<b>Total</b>	<b>16</b>	<b>250</b>	<b>\$5.6</b>



## Increasing Duals Alignment

CMS and state policies are increasingly focused on alignment of Medicaid and Medicare products. Both scenarios are projected to have attractive high-growth markets.

<b>CMS Guidance</b>	<ul style="list-style-type: none"> <li>- The 2025 Final Rule encourages increased integration of Medicare and Medicaid</li> <li>- The new rule also delegates policy and implementation decisions to individual states</li> </ul>	
	<b>Scenario 1</b>	<b>Scenario 2</b>
<b>State Policy</b>	<b>Any D-SNP MCO can enroll Duals</b>	<b>Only MCOs with Medicaid and Medicare can enroll Duals</b>
<b>Implications for Molina</b>	<b>No Change</b> <i>Operating environment remains largely unchanged</i>	<b>Increased Opportunity</b> <i>MOH Medicaid footprint creates D-SNP market share opportunity</i>



## Maximize MMP Conversion into HIDE / FIDE

We have begun to transition our MMP members into HIDE or FIDE product with early success in Michigan and Ohio



■ Molina MMP Footprint   
 ● Procurements in Progress  
✓ Successfully Procured

### Product Dynamics & Status

- Successfully procured 2 states (MI & OH)
- 1 remaining state-wide procurement where Molina carries strength of incumbency
- 2 remaining states will transition existing programs
- Molina partnering with states to seamlessly crosswalk members to integrated products

States	MI	OH	IL	TX	SC	Total MMP
Procured	✓	✓	Pending	N/A	N/A	
Premium (\$B)	\$0.3	\$0.7	\$0.4	\$0.3	\$0.1	\$1.8B

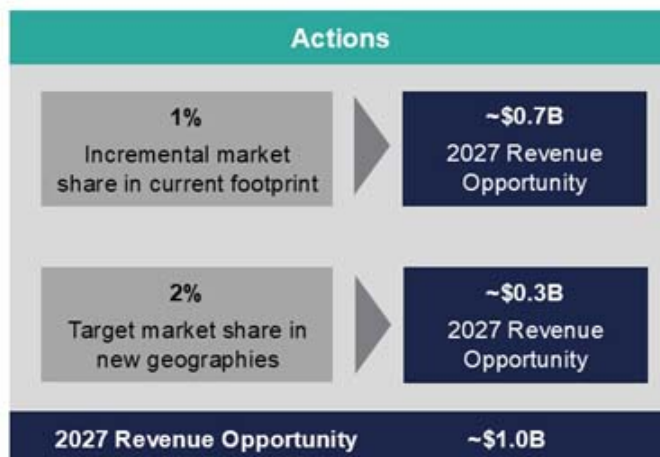
## Increase Duals Market Share

Focus on fundamental operating tactics, product design, distribution expansion and pricing discipline will drive significant market share opportunity



Service Area Market Shares

1% or Less    2-5%    >5%



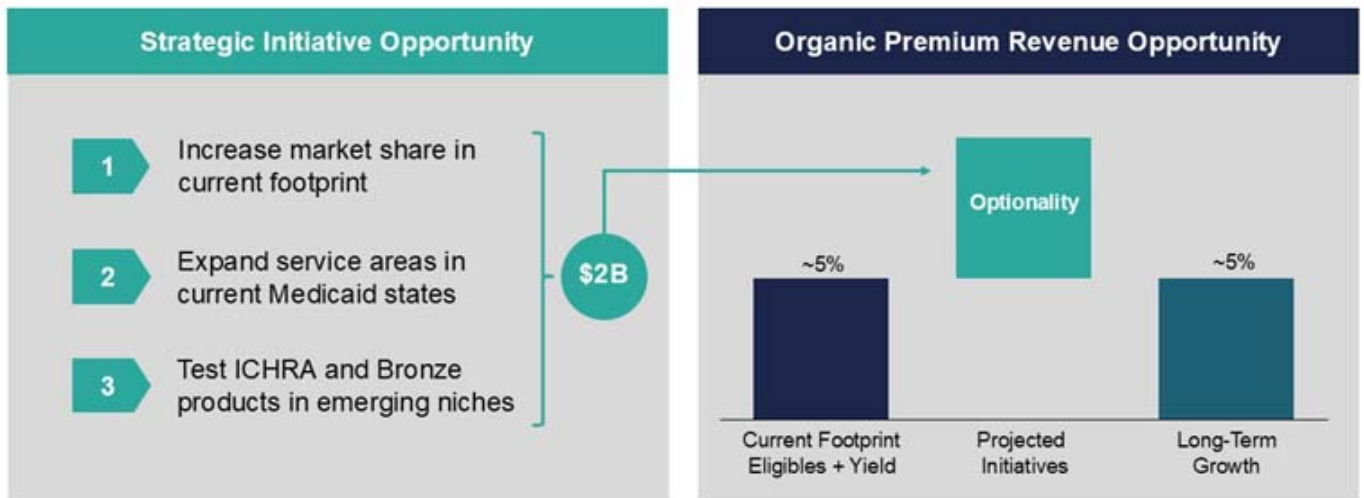
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# Marketplace

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## Marketplace Long-Term Growth

Long-term growth target of ~5% is driven by the current footprint with optionality from projected initiatives



## Strong Market Growth

Several market dynamics have driven substantial growth



- ### Market Dynamics
- Enhanced subsidies were extended through 2025
  - Year-round Special Enrollment Period for under 150% FPL was made permanent
  - Members transitioned from Medicaid throughout Redetermination
  - Return to rational pricing environment and improved margins resulted in greater competition

## Market Outlook

Continued organic growth expected to offset disenrollments from the potential expiration of enhanced subsidies



- Subsidy Dynamics**
- Outlook assumes ~20% of enrollees could exit the market if enhanced subsidies expire
  - Additional buy-downs to Bronze plans vary based on geography and member mix
  - Significant opportunity for Molina growth outlook if enhanced subsidies are extended

## Increase Market Share

Focus on fundamental operating tactics, product design, distribution expansion and pricing discipline will drive significant market share opportunity



Service Area Market Shares

5% or Less    6-10%    >10%



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## Accretive M&A

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## M&A Platform

M&A is a key element of the long-term premium growth targets

1

Ample excess cash flow internally funds acquisitions

4

Previously announced purchase prices are highly capital efficient

2

We buy long-dated, stable revenue streams

5

Underperforming properties yield accretion from sweat equity

3

M&A generally as accretive as new procurement economics

6

Expert integration teams ensure accretion targets are achieved

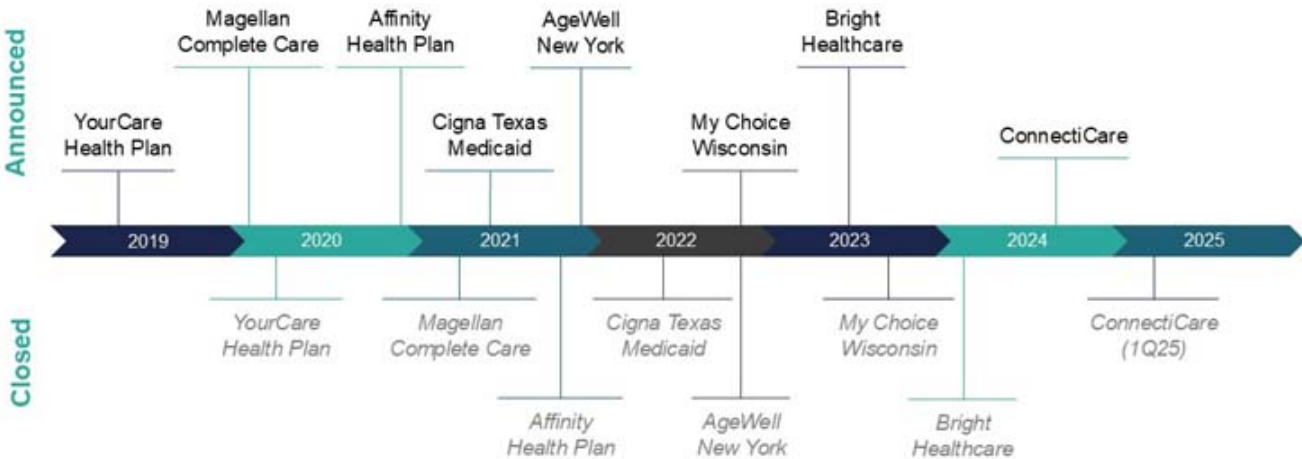
# M&A Pipeline

The acquisition pipeline remains robust with many remaining opportunities



# M&A Track Record

Seven completed transactions sequenced for manageable integration and one transaction pending



## M&A Metrics

Recent transactions were purchased at capital efficient prices and yield accretion from sweat equity



# Operating Excellence

# Operating Excellence

It is not only what we do but how we do it that is important our continued success

Focus on Fundamentals

The Molina Playbook

Serving All Constituencies

The Team

# Our Performance Outlook

## Performance Outlook

Our strategy will produce sustainable, profitable growth and industry leading margins

What We Will Do – The Next 3 Years		
Premium Revenue Growth	Pretax Margin	Adjusted EPS Growth
 <p>11% - 13%</p>	 <p>4% - 5%</p>	 <p>13% - 15%</p>
<p>7% - 9% Organic Growth</p>	<p>87.5% - 88.5% Medical Cost Ratio</p>	<p>11% - 13% Earnings Growth</p>
<p>~4% Acquisitions</p>	<p>&lt; 7% G&amp;A Ratio</p>	<p>~2% Share Repurchases</p>
<p><i>...while continually refreshing embedded earnings to support forward growth</i></p>		



## Investment Thesis

Shareholder value is driven by strong growth, sustained margins and disciplined capital management



Pure play government sponsored healthcare



Attractive margins and operating leverage



Legacy and new market opportunities



High return capital deployment



Double digit revenue growth



Proven management team




# Compelling Financial Profile

**Mark Keim**  
Chief Financial Officer


# Compelling Financial Profile


 Molina Margin Mechanics

 Capital Foundation

 2024 Guidance

 Long-Term Financial Targets

 2025 Outlook

 Investment Thesis

# Molina Margin Mechanics

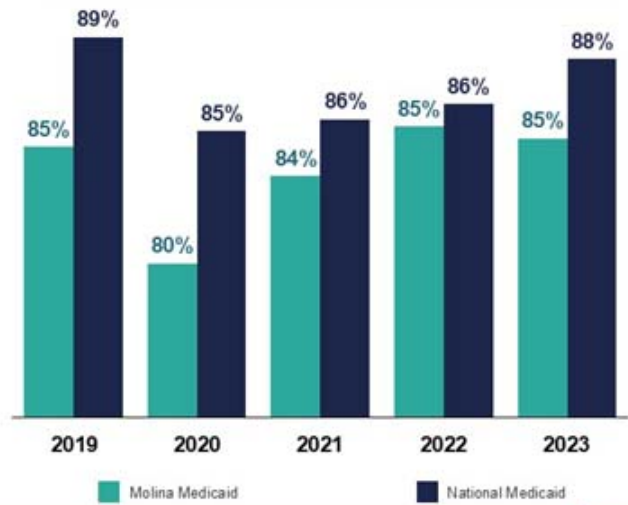
## Industry-leading Medicaid MCRs

Molina consistently outperforms peers due to disciplined medical cost management

### Medical Cost Management

- Rates are established at the market level...each MCO gets the same rates
- Corridors are established at the market level... each MCO is subject to the same corridors
- Members are generally evenly distributed among 3-5 MCO's... each MCO has similar acuity profiles
- Disciplined management of medical costs is the only differentiator

Medicaid MCR's (Statutory)



# Medical Cost Management

Numerous capabilities drive medical cost efficiencies with focus on high-acuity populations



Operating Focus
– State-of-the-art medical economics platform
– Utilization management
– High-acuity care management
– FFS and value-based contracting
– Payment integrity
– Centers of Excellence for behavioral health, pharmacy, and LTSS

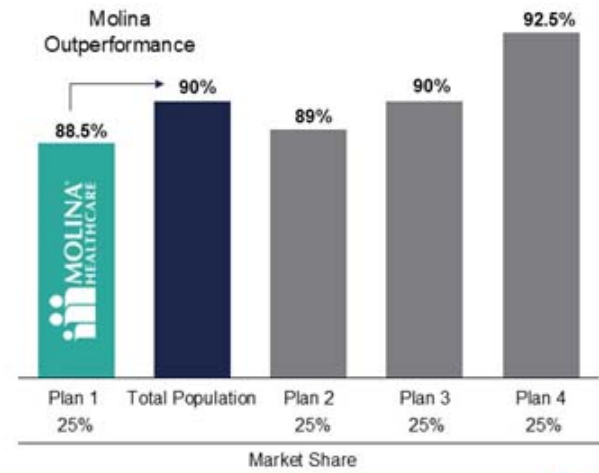
## Medicaid Margin Sustainability

Rate setting on total market population cost base provides Molina opportunity to continually drive MCR outperformance

### Market Risk Pool

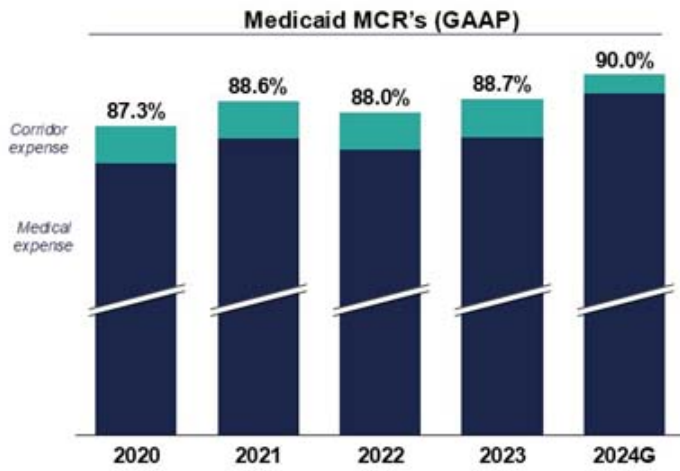
- Cost trend included in rates as CMS requires rate setting to be actuarially sound
- State actuarial processes set rates on total program population, not individual MCO's
- Molina's sustainable, best in class margins driven by continually outperforming total state populations
- All plans must satisfy quality requirements

### Example Market MCRs



## Risk Corridors

Medicaid risk corridor positions are a result of margin outperformance and help mitigate potential inflections in medical cost trends



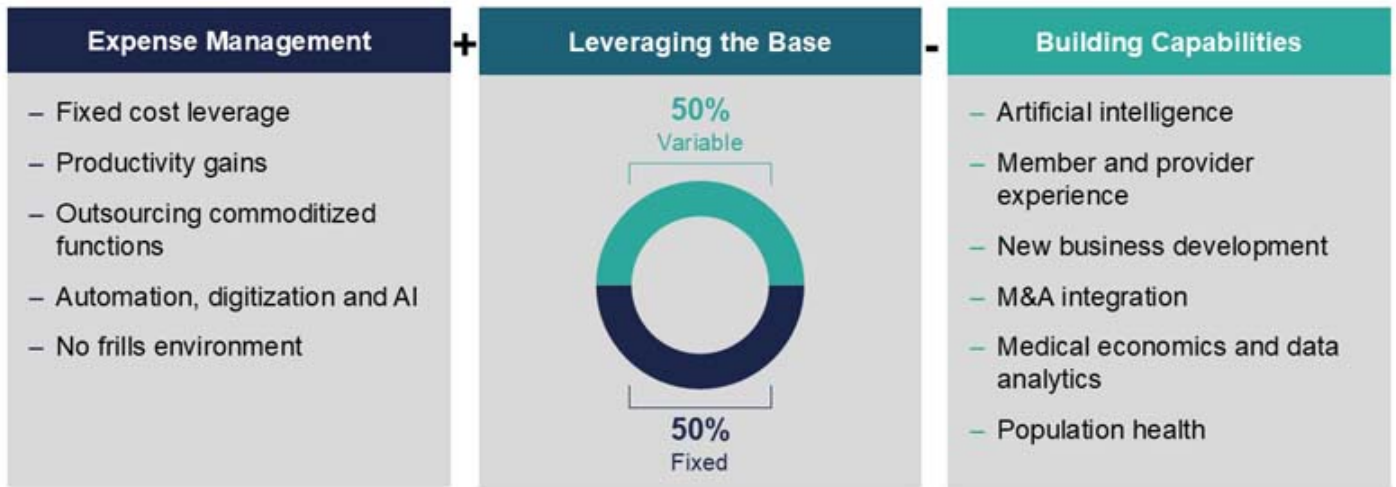
### Risk Corridor Dynamics

- Molina averaged ~200 basis points of risk corridor expense/protection over the past few years
- In 2024, risk corridors absorbed higher medical costs due to Redetermination acuity shifts
- We expect to use ~100 basis points of risk corridor buffer in 2024 as rates have not matched trend
- Historical risk corridor protection level is expected to be replenished with the new rate cycle



## G&A Expense Management

Continued expense management and operating leverage drive lower G&A ratio while building capabilities for continued outperformance



# 2024 Guidance

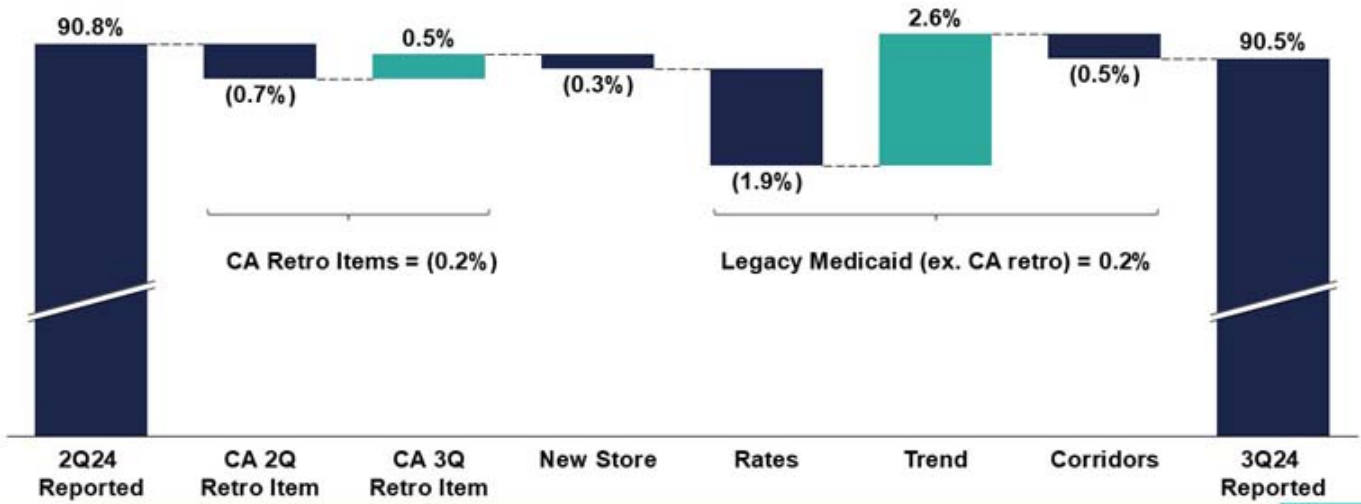
## 2024 Guidance

Full year 2024 guidance is reaffirmed

	FY 2023	FY 2024 Guidance	
	Actual	Initial	Current
Premium Revenue	\$32.5B	~\$38B	~\$38B
Adjusted EPS	\$20.88	≥ \$23.50	≥ \$23.50
MCR %	88.1%	88.2%	88.7%
Medicaid	88.7%	89.0%	90.0%
Medicare	90.7%	88.0%	88.3%
Marketplace	75.3%	78.0%	74.0%
G&A %	7.2%	7.0%	6.8%
Pre-tax Margin %	4.8%	4.6%	4.6%
Share Count	58.1M	58.1M	57.9M

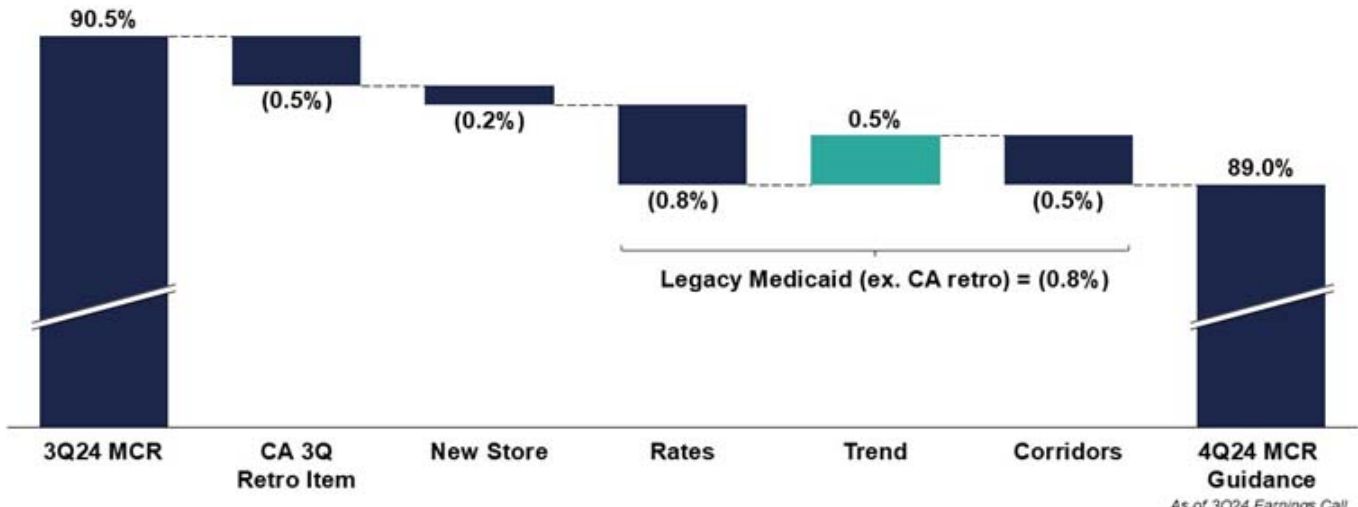
## Medicaid MCR: 2Q24 to 3Q24

Adjusting for CA retro items, the Medicaid MCR decreased 10 basis points driven by new store improvements and rates and risk corridors offsetting higher trend



## Medicaid MCR: 3Q24 to 4Q24

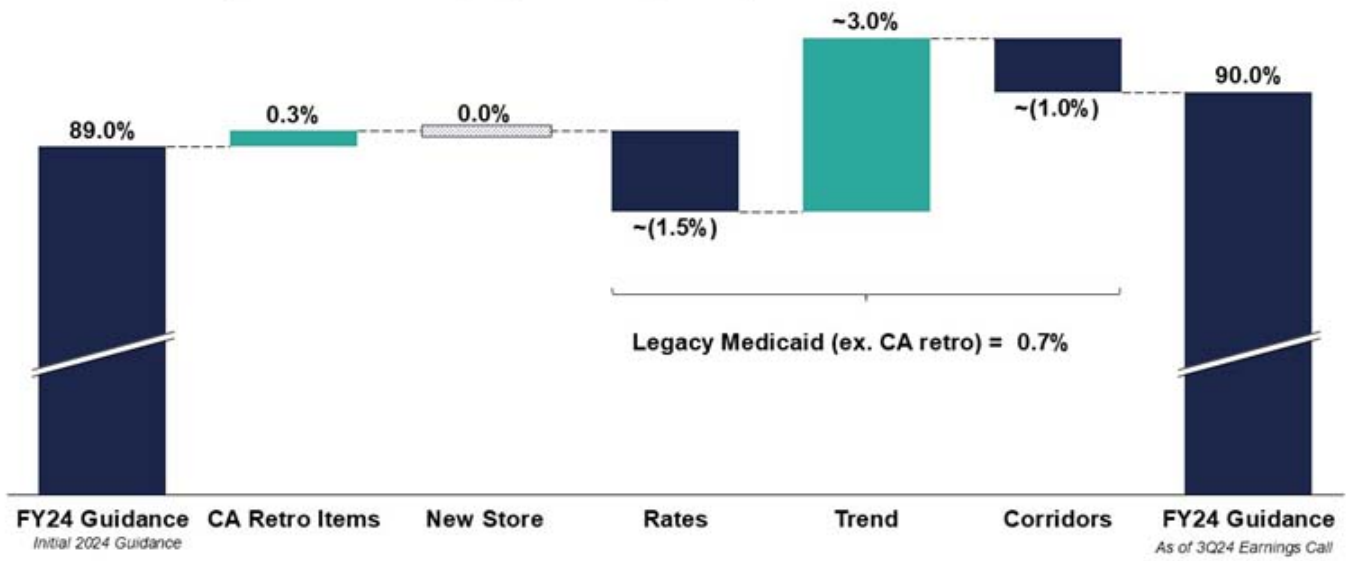
Adjusting for CA retro items, we expect the Medicaid MCR to decrease 100 basis points driven by new store improvements, known rates, and risk corridors offsetting moderating trend



As of 3Q24 Earnings Call

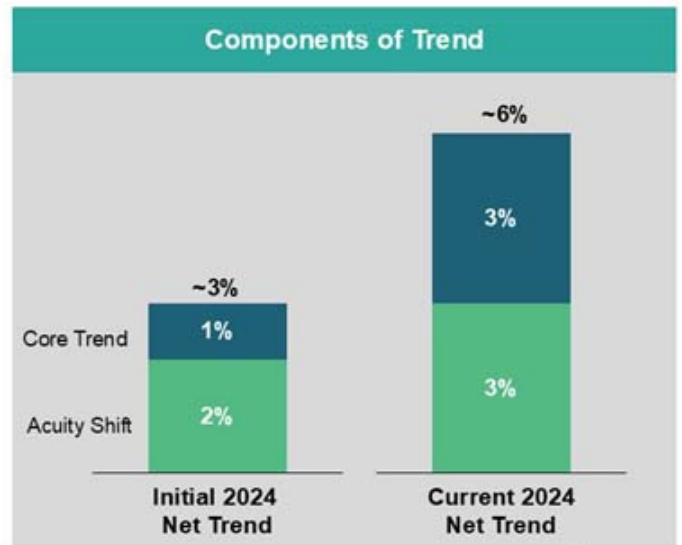
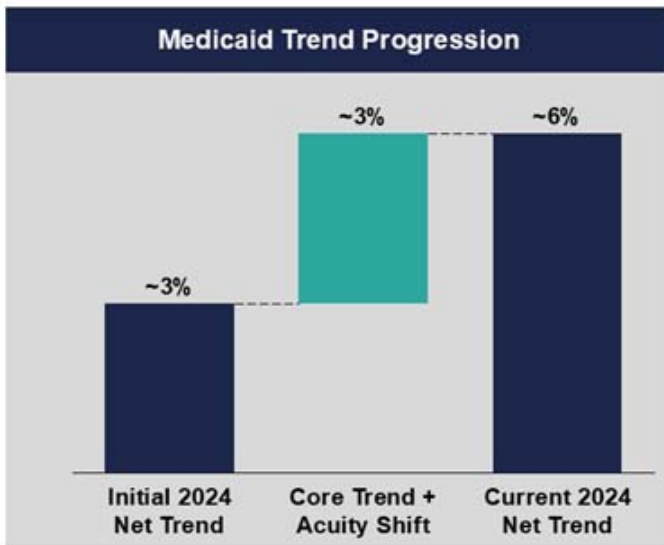
# Medicaid MCR: Full Year Guidance

Increased MCR guidance driven by higher trend partially offset by rates and risk corridors



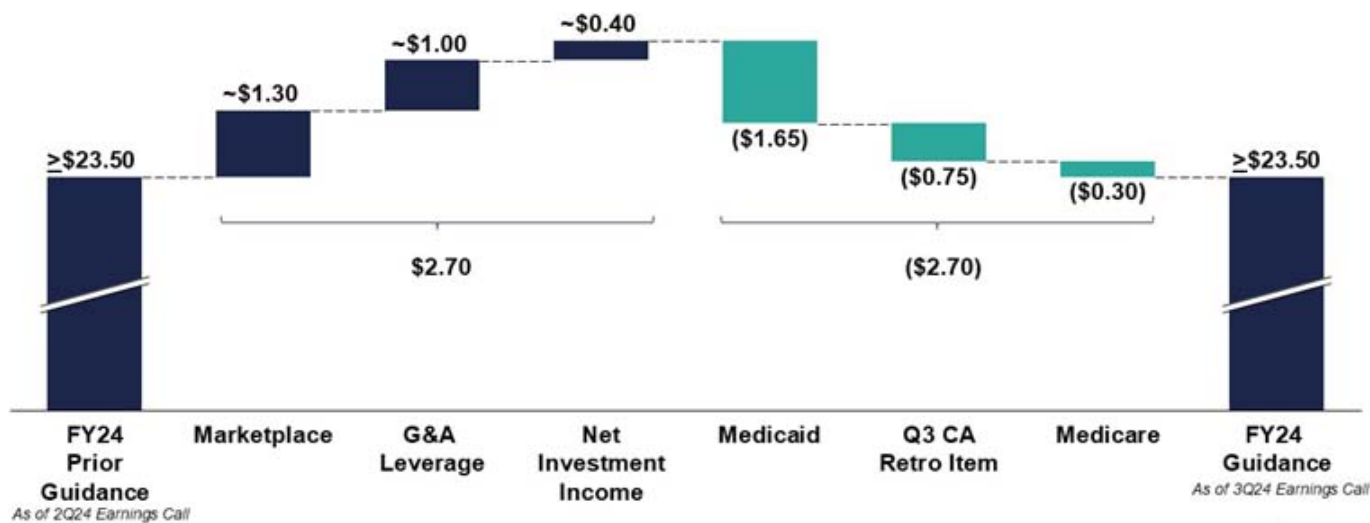
## Medicaid Medical Cost Trend

Full year 2024 trend is now expected to be 6% and reflects equal contribution from the acuity shift and core trend



## 2024 EPS Guidance

We reaffirm guidance of at least \$23.50 with Marketplace, G&A ratio, and NII offsetting higher MCR's in Medicaid and Medicare





# 2025 Outlook

## Medicaid Rate Environment

The rate cycle is well-timed with 55% of premium renewing on January 1<sup>st</sup>

### Core Rates

- Known on-cycle rates were 4.5% in 3Q24 and 9% in 4Q24
- Off-cycle rates were 1.5% in 3Q24
- 55% of revenues reset January 1<sup>st</sup>
- Known January rates are in draft form
- We continue to expect off-cycle rate adjustments as data develops

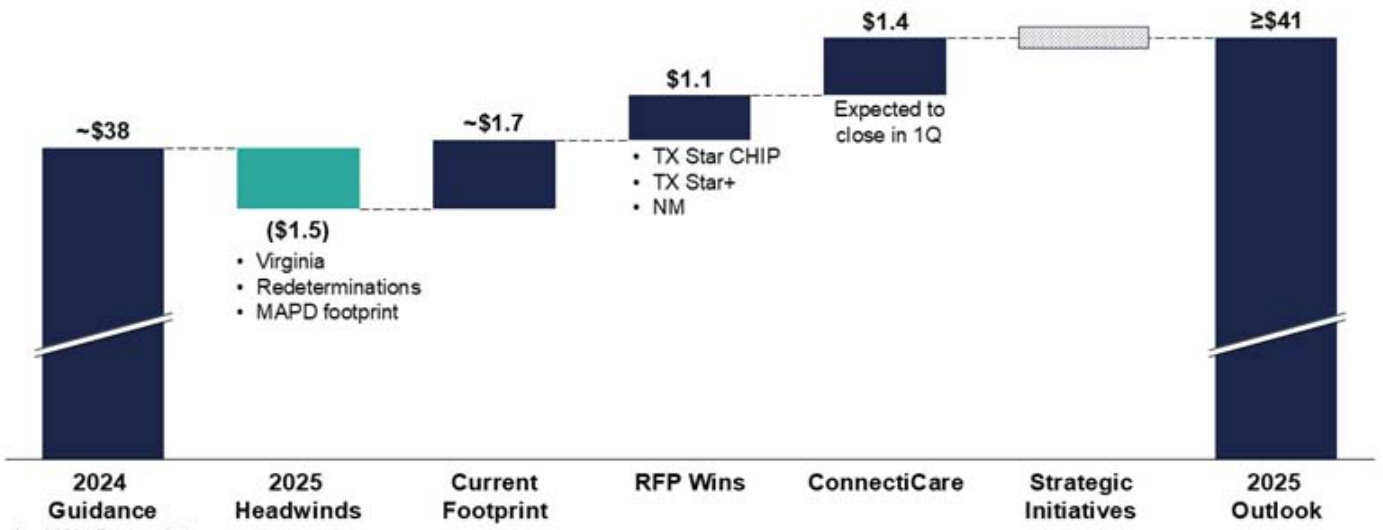
### Premium Rate Profile

Fiscal Year Start	Q1	Q2	Q3	Q4	FY2025
Number of States	10	1	6	3	21
% of Total Premium	~55%	~10%	~25%	~10%	100%

# 2025 Premium Revenue Outlook

Known building blocks provide current outlook of ~8% premium revenue growth

In \$ Billions



As of 3Q24 Earnings Call

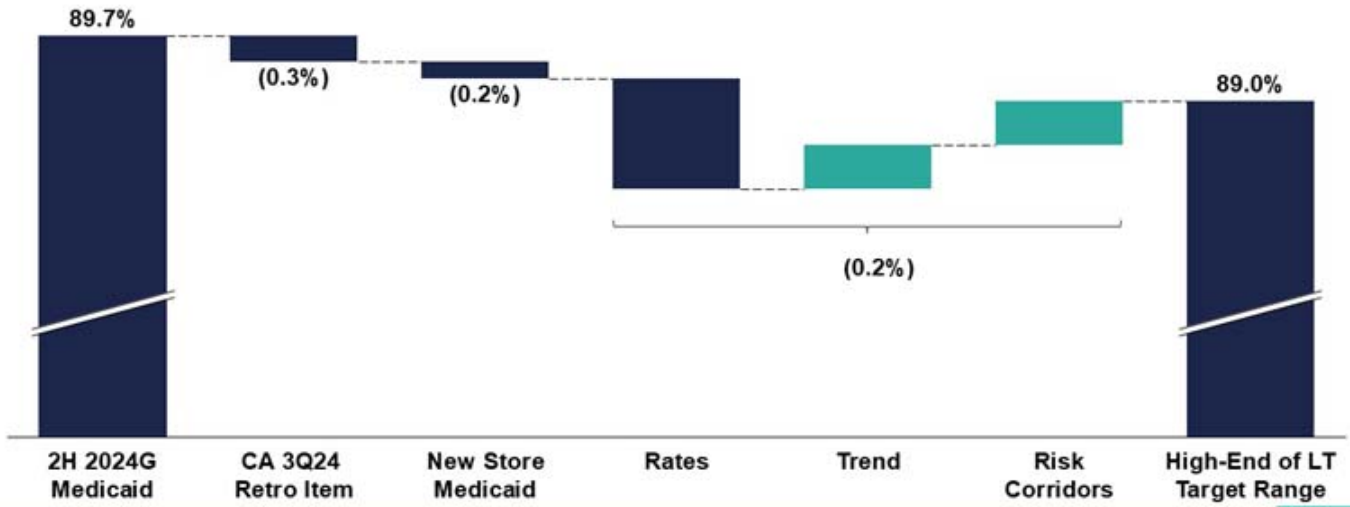
## Realization of Embedded Earnings

Embedded earnings of \$6.00 remain balanced between acquisitions and new contracts, with less than half expected to be realized in 2025

Driver	2024 Year End	Realization	
		2025	2026 and 2027
Acquisitions	\$2.65	(\$0.90)	(\$1.75)
New Contracts	\$3.35	(\$1.10)	(\$2.25)
<b>Total</b>	<b>\$6.00</b>	<b>(\$2.00)</b>	<b>(\$4.00)</b>

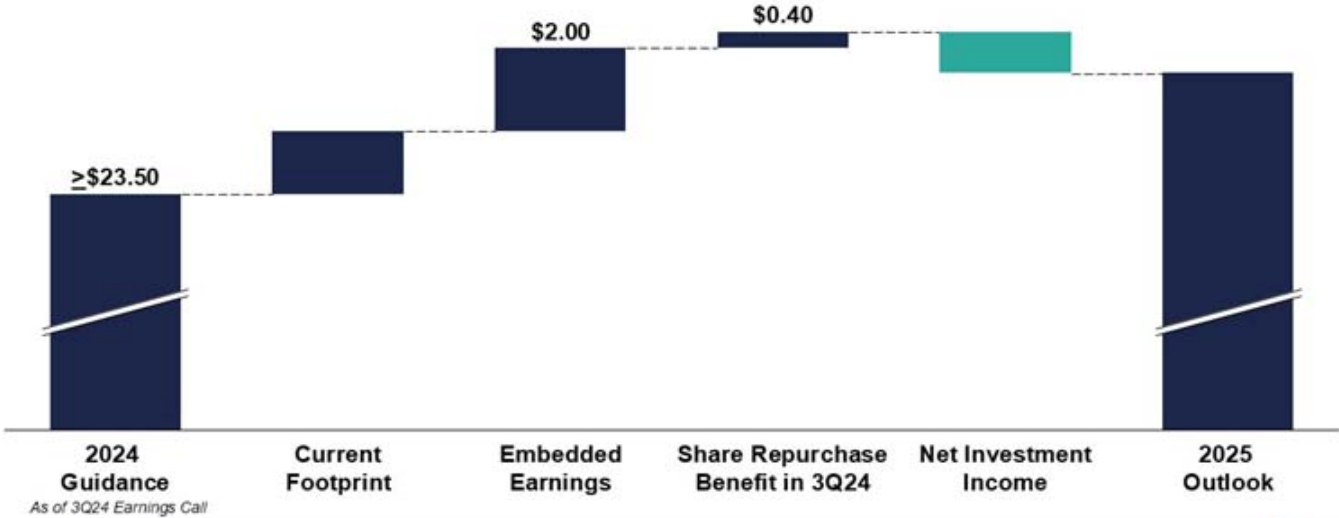
## 2025 Medicaid MCR Components

Achieving the high-end of the long-term MCR target range requires 20 basis points of benefit off 2H 2024 guidance from the combination of rates, trend, and risk corridors



# 2025 Adjusted EPS Building Blocks

Medicaid margin is the largest driver of our outlook for current footprint and relies heavily on rates and trends



# Capital Foundation

## Strong Capital Foundation


Strong balance sheet provides foundation for stability and growth

3Q 2024 Credit Stats		Reserve Strength	
Net Debt to EBITDA Ratio	1.4x	Reserves at 9/30/24	\$4.7B
Net Debt / Capitalization	~35%	Days in Claims Payable	48 Days
Revolver Capacity	\$1.25B		
Recurring Parent Cash Flow		Acquisition Capacity as of 4Q 2025	
2024 Dividends to Parent	>\$950M	Parent Company Cash	~\$500M
Dividend to Net Income Conversion	80% - 100%	Debt Capacity	~\$4.0B
		Total Deployable Capital 4Q 2025	~\$4.5B



## Capital Deployment Discipline

Capital deployment is prioritized to opportunities with the highest returns

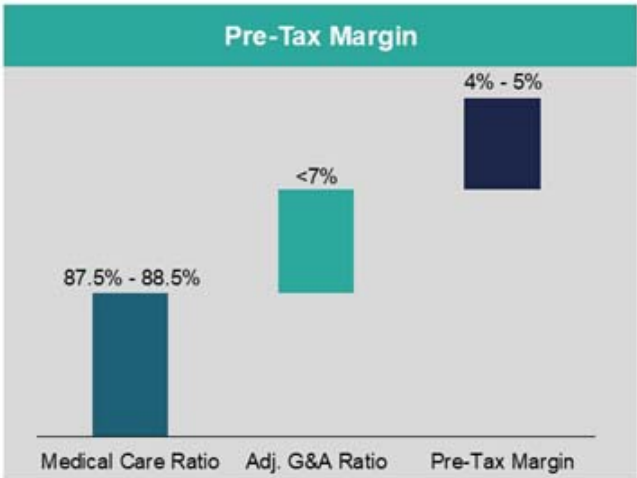
		EPS Accretion	Long-Term Target Capital Allocation
 <p><b>Re-invest in Business</b></p>	<ul style="list-style-type: none"> <li>– Organic growth is the highest priority</li> <li>– Most efficient use of capital to grow</li> <li>– All lines of business are high growth</li> </ul>		~25%
 <p><b>Accretive Acquisitions</b></p>	<ul style="list-style-type: none"> <li>– Robust pipeline</li> <li>– Disciplined approach</li> <li>– Strategic fit and operational synergies</li> </ul>		~50%
 <p><b>Return to Shareholders</b></p>	<ul style="list-style-type: none"> <li>– Share repurchases</li> </ul>		~25%

# Long-Term Financial Targets

# Long-Term Targets

Molina has a clear formula to deliver organic premium growth and sustainable MCR to achieve pre-tax margins

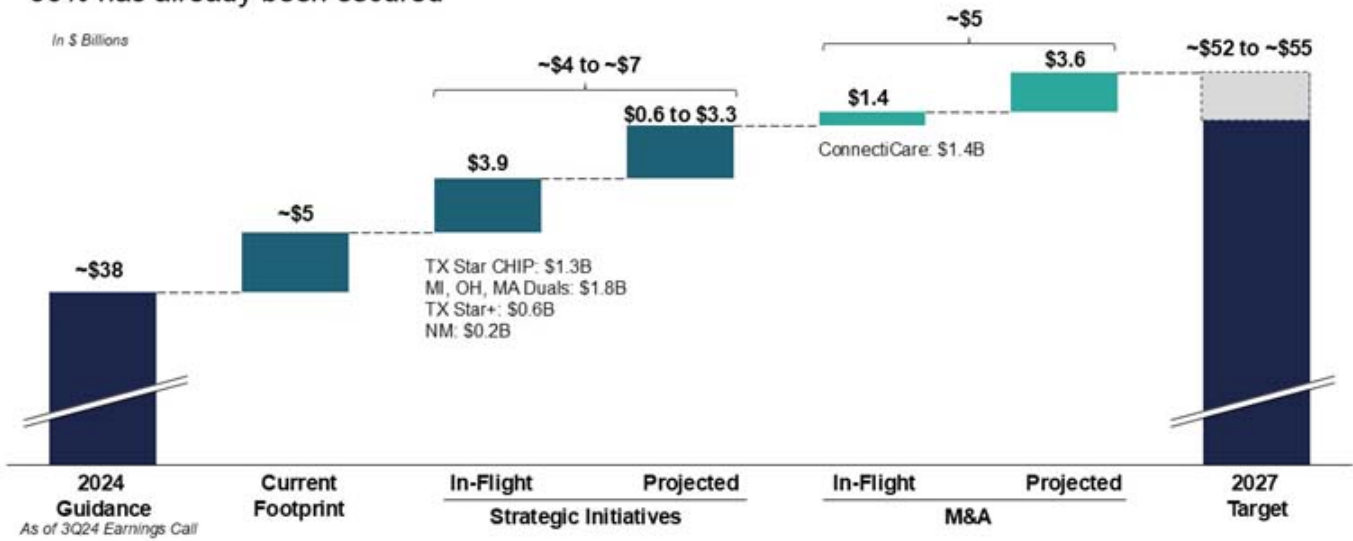
	Organic Premium Growth	Medical Cost Ratio
Medicaid	7% - 9%	88% - 89%
Medicare	12% - 14%	87% - 88%
Marketplace	5% with Optionality	78% - 80%
<b>Weighted Total</b> <small>At current portfolio mix</small>	<b>7% - 9%</b>	<b>87.5% - 88.5%</b>



## 2027 Premium Revenue Target

Of the \$9 to \$12 billion of premium revenue growth from strategic initiatives and M&A, approximately 50% has already been secured

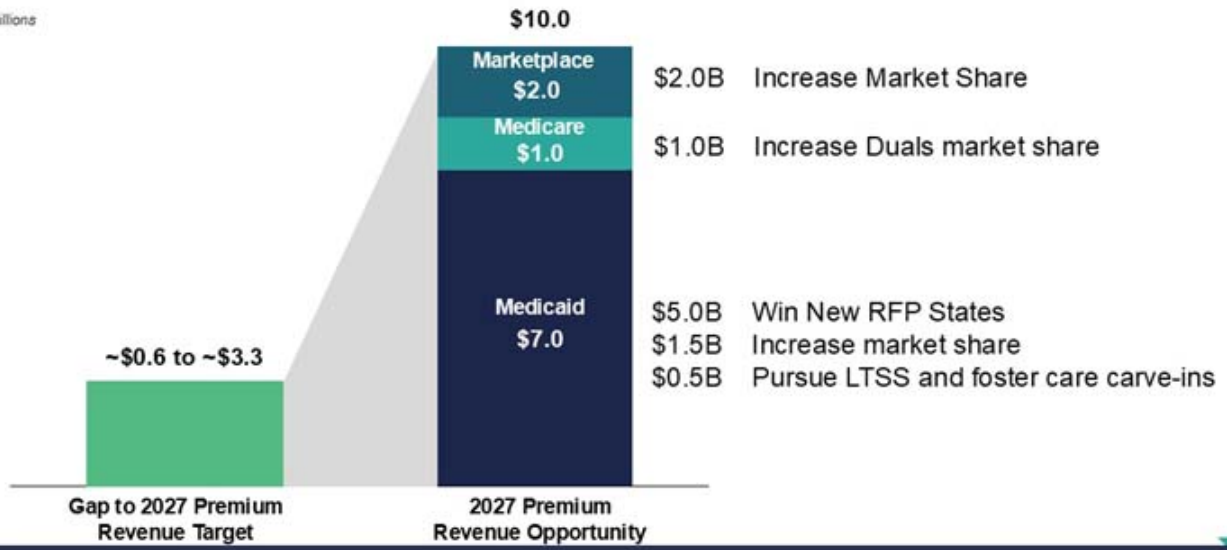
In \$ Billions



## 2027 Strategic Initiative Opportunity

2027 premium target requires realization of ~20% of total identified strategic initiatives, a conservative view

In \$ Billions



## Long-Term EPS Growth

Strong revenue and earnings growth is enhanced by operating leverage and share repurchases

Premium Revenue Growth	11% - 13%
Hedge to Margins / Operating Leverage	0% - 1%
Net Income Growth	11% - 13%
Share Repurchases	~2%
<b>EPS Growth</b>	<b>13% - 15%</b>

*...while continually refreshing embedded earnings to support forward growth*

# Investment Thesis

## Performance Outlook

Our strategy will produce sustainable, profitable growth and industry leading margins

What We Will Do – The Next 3 Years		
Premium Revenue Growth	Pretax Margin	Adjusted EPS Growth
 <p>11% - 13%</p>	 <p>4% - 5%</p>	 <p>13% - 15%</p>
<p>7% - 9% Organic Growth</p>	<p>87.5% - 88.5% Medical Cost Ratio</p>	<p>11% - 13% Earnings Growth</p>
<p>~4% Acquisitions</p>	<p>&lt; 7% G&amp;A Ratio</p>	<p>~2% Share Repurchases</p>
<p><i>...while continually refreshing embedded earnings to support forward growth</i></p>		



## Investment Thesis

Shareholder value is driven by strong growth, sustained margins and disciplined capital management

✓ Pure play government sponsored healthcare

✓ Attractive margins and operating leverage

✓ Legacy and new market opportunities

✓ High return capital deployment

✓ Double digit revenue growth

✓ Proven management team



# Q&A

## Reconciliation of Non-GAAP Financial Measures

Adjustments represent additions and deductions to GAAP net income as indicated in the table below, which include the non-cash impact of amortization of acquired intangible assets, acquisition-related expenses, and the impact of certain expenses and other items that management believes are not indicative of longer-term business trends and operations. Managements opinions on business trends and operations can change, so the adjustments included in the table will not be consistent from period to period.

	2020	2021	2022	2023	2024G <sup>(1)</sup>
Net income per diluted share	\$ 11.23	\$ 11.25	\$ 13.55	\$ 18.77	\$ 21.59
Adjustments:					
Amortization of intangible assets	0.26	0.83	1.32	1.47	1.43
Acquisition-related expenses	0.37	1.59	0.83	0.12	0.86
Impairment <sup>(2)</sup>	-	-	3.56	-	-
Loss on debt repayment	0.26	0.43	-	-	-
Marketplace risk corridor judgment	(2.14)	-	-	-	-
Other <sup>(3)</sup>	0.51	0.16	-	1.17	0.27
Subtotal, adjustments	(0.74)	3.01	5.71	2.76	2.56
Income tax effect	0.18	(0.72)	(1.34)	(0.65)	(0.65)
Adjustments, net of tax	(0.56)	2.29	4.37	2.11	1.91
Adjusted net income per diluted share	\$ 10.67	\$ 13.54	\$ 17.92	\$ 20.88	\$ 23.50

(1) 2024 Guidance as of October 23, 2024

(2) Resulting from the Company's plan to reduce its leased real estate footprint

(3) 2020 includes charitable contribution, premium deficiency reserves, and restructuring costs. 2021 includes change in premium deficiency reserves, loss on sale of property, and restructuring costs. 2022 includes gain on lease termination and disposal of fixed assets. 2023 includes a credit loss on 2022 Marketplace risk adjustment receivables due to the insolvency of an issuer in the Texas pool. 2024 includes litigation and one-time termination benefits.