

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**FORM 8-K**

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

Date of Report (Date of earliest event reported) August 8, 2006

**Molina Healthcare, Inc.**

(Exact name of registrant as specified in its charter)

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

**001-31719**  
(Commission  
File Number)

**13-4204626**  
(I.R.S. Employer  
Identification No.)

**One Golden Shore Drive, Long Beach, California**  
(Address of principal executive offices)

**90802**  
(Zip Code)

Registrant's telephone number, including area code 562-435-3666

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(Former name or former address, if changed since last report.)

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))
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**Item 8.01. Other Events.**

Attached as Exhibit 100 to this report are the following financial statements from Molina Healthcare, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, filed with the Securities and Exchange Commission on August 8, 2006, formatted in Extensible Business Reporting Language ("XBRL"): (i) the Condensed Consolidated Balance Sheets as of June 30, 2006 and December 31, 2005, (ii) the Condensed Consolidated Statements of Operations for the three and six month periods ended June 30, 2006 and 2005, and (iii) the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2006 and 2005. Users of this data are advised pursuant to Rule 401 of Regulation S-T that the financial and other information contained in the XBRL documents is unaudited and that these are not the official publicly filed consolidated financial statements of Molina Healthcare, Inc. The purpose of submitting these XBRL formatted documents is to test the related format and technology and, as a result, investors should continue to rely on the official filed version of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, filed on August 8, 2006, and not rely on the information in this Current Report on Form 8-K, including Exhibit 100, in making investment decisions.

In accordance with Rule 402 of Regulation S-T, the information in this Current Report on Form 8-K, including Exhibit 100, shall not be deemed to be "filed" for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

**Item 9.01. Financial Statements and Exhibits****(d) Exhibits**

- |     |   |
|-----|---|
| 99  | Preferred rendering in HTML of information from Molina Healthcare, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, filed on August 8, 2006.   |
| 100 | The following financial statements from Molina Healthcare, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, filed on August 8, 2006, formatted in XBRL: (i) the Condensed Consolidated Balance Sheets as of June 30, 2006 and December 31, 2005, (ii) the Condensed Consolidated Statements of Operations for the three and six month periods ended June 30, 2006 and 2005, and (iii) the Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2006 and 2005. |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

MOLINA HEALTHCARE, INC.

By: /s/ Mark L. Andrews

Mark L. Andrews  
Chief Legal Officer

Dated: September 19, 2006

INDEX TO EXHIBITS

<u>Exhibit No.</u>	<u>Description</u>
EX-99	Preferred rendering in HTML of information from Molina Healthcare, Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2006, filed on August 8, 2006
EX-100.INS	XBRL Instance Document
EX-100.SCH	XBRL Taxonomy Extension Schema Document
EX-100.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
EX-100.LAB	XBRL Taxonomy Extension Label Linkbase Document
EX-100.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

## MOLINA HEALTHCARE, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS  
(amounts in thousands, except share data)

	June 30, 2006 (unaudited)	December 31, 2005
<b>ASSETS</b>		
<b>Current assets:</b>		
Cash and cash equivalents	\$ 312,118	\$ 249,203
Investments	94,570	103,437
Receivables	77,201	70,532
Income tax receivable	4,785	3,014
Deferred income taxes	2,878	2,339
Prepaid expenses and other current assets	7,534	10,321
Total current assets	499,086	438,846
Property and equipment, net	34,093	31,794
Goodwill and intangible assets, net	150,699	124,914
Restricted investments	18,302	18,242
Receivable for ceded life and annuity contracts	35,834	38,113
Other assets	8,608	8,018
Total assets	<u>\$ 746,622</u>	<u>\$ 659,927</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Medical claims and benefits payable	\$ 249,789	\$ 217,354
Deferred revenue	8,896	803
Accounts payable and accrued liabilities	33,540	31,457
Total current liabilities	292,225	249,614
Long-term debt	15,000	—
Deferred income taxes	7,346	4,796
Liability for ceded life and annuity contracts	35,834	38,113
Other long-term liabilities	4,660	4,554
Total liabilities	355,065	297,077
<b>Stockholders' equity:</b>		
Common stock, \$0.001 par value; 80,000,000 shares authorized; issued and outstanding: 27,995,782 shares at June 30, 2006 and 27,792,360 shares at December 31, 2005	28	28
Preferred stock, \$0.001 par value; 20,000,000 shares authorized, no shares issued and outstanding	—	—
Paid-in capital	169,743	162,693
Accumulated other comprehensive loss	(714)	(629)
Retained earnings	242,890	221,148
Treasury stock (1,201,174 shares, at cost)	(20,390)	(20,390)
Total stockholders' equity	391,557	362,850
Total liabilities and stockholders' equity	<u>\$ 746,622</u>	<u>\$ 659,927</u>

MOLINA HEALTHCARE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS  
(amounts in thousands, except per share data)  
(unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2006	2005	2006	2005
<b>Revenue:</b>				
Premium revenue	\$479,823	\$401,915	\$929,117	\$794,102
Investment income	4,811	2,359	8,893	4,124
Total revenue	484,634	404,274	938,010	798,226
<b>Expenses:</b>				
Medical care costs:				
Medical services	86,020	67,604	160,878	131,271
Hospital and specialty services	267,689	259,016	530,559	485,548
Pharmacy	48,006	42,870	93,525	85,785
Total medical care costs	401,715	369,490	784,962	702,604
Salary, general and administrative expenses	56,308	37,060	107,521	70,606
Loss contract charge	—	939	—	939
Depreciation and amortization	4,870	3,558	9,632	6,756
Total expenses	462,893	411,047	902,115	780,905
Operating income (loss)	21,741	(6,773)	35,895	17,321
<b>Other expense:</b>				
Interest expense	(577)	(418)	(991)	(707)
Other, net	—	(400)	—	(400)
Total other expense	(577)	(818)	(991)	(1,107)
Income (loss) before income taxes	21,164	(7,591)	34,904	16,214
Income tax expense (benefit)	8,012	(2,885)	13,162	6,161
Net income (loss)	\$ 13,152	\$ (4,706)	\$ 21,742	\$ 10,053
Net income (loss) per share:				
Basic	\$ 0.47	\$ (0.17)	\$ 0.78	\$ 0.36
Diluted	\$ 0.47	\$ (0.17)	\$ 0.77	\$ 0.36
Weighted average shares outstanding:				
Basic	27,947	27,707	27,901	27,662
Diluted	28,270	27,707	28,207	27,981

MOLINA HEALTHCARE, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS  
(dollars in thousands)  
(unaudited)

	Six months ended June 30	
	2006	2005
<b>Operating activities</b>		
Net income	\$ 21,742	\$ 10,053
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	9,632	6,756
Amortization of capitalized credit facility fees	429	338
Deferred income taxes	(2,483)	68
Stock-based compensation	2,747	341
Changes in operating assets and liabilities:		
Receivables	(6,208)	(3,544)
Prepaid expenses and other current assets	3,098	(287)
Medical claims and benefits payable	9,919	19,127
Accounts payable and accrued liabilities	(2,922)	(6,637)
Income taxes	2,634	(17,784)
Net cash provided by operating activities	<u>38,588</u>	<u>8,431</u>
<b>Investing activities</b>		
Purchases of equipment	(7,333)	(6,798)
Purchases of investments	(57,737)	(19,645)
Sales and maturities of investments	66,476	22,358
Decrease (increase) in restricted cash	940	(89)
Net cash acquired (paid) in purchase transactions	5,820	(31,200)
Increase in other long-term liabilities	106	295
Increase in other assets	(1,070)	(5,210)
Net cash provided by (used in) investing activities	<u>7,202</u>	<u>(40,289)</u>
<b>Financing activities</b>		
Tax benefit from exercise of employee stock options recorded as additional paid-in capital	653	1,758
Proceeds from exercise of stock options and employee stock purchases	1,472	1,474
Borrowings under credit facility	20,000	3,100
Principal payments on credit facility, capital lease obligation and mortgage note	(5,000)	(82)
Net cash provided by financing activities	<u>17,125</u>	<u>6,250</u>
Net increase (decrease) in cash and cash equivalents	62,915	(25,608)
Cash and cash equivalents at beginning of period	249,203	228,071
Cash and cash equivalents at end of period	<u>\$ 312,118</u>	<u>\$ 202,463</u>
<b>Supplemental cash flow information</b>		
Cash paid during the period for:		
Income taxes	<u>\$ 12,411</u>	<u>\$ 22,122</u>
Interest	<u>\$ 1,055</u>	<u>\$ 281</u>
Schedule of non-cash investing and financing activities:		
Change in unrealized gain on investments	\$ (128)	\$ (202)
Deferred taxes	43	79
Change in net unrealized gain on investments	<u>\$ (85)</u>	<u>\$ (123)</u>
Value of stock issued for employee compensation earned in previous year	<u>\$ 2,178</u>	<u>\$ —</u>
Details of acquisitions:		
Fair value of assets acquired	\$ 86,003	\$ 31,200
Less cash acquired in purchase transaction	(49,820)	—
Liabilities assumed in purchase transaction	(42,003)	—
Cash (acquired) paid in purchase transaction, net of cash acquired	<u>\$ (5,820)</u>	<u>\$ 31,200</u>