

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended **September 30, 2025**
OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission file number: **001-31719**



MOLINA HEALTHCARE, INC.

(Exact name of registrant as specified in its charter)

Delaware **13-4204626**
(State or other jurisdiction of (I.R.S. Employer
incorporation or organization) Identification No.)

200 Oceangate, Suite 100
Long Beach, California **90802**
(Address of principal executive offices) (Zip Code)

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

N/A
(Former name, former address and former fiscal year, if changed since last report)

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 (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large Accelerated Filer Accelerated Filer Non-Accelerated Filer Smaller reporting company 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.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the issuer's Common Stock, \$0.001 par value, outstanding as of October 17, 2025, was approximately 51.4 million.

MOLINA HEALTHCARE, INC. FORM 10-Q
FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2025

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CONSOLIDATED STATEMENTS OF INCOME

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In millions, except per-share amounts) (Unaudited)			
Revenue:				
Premium revenue	\$ 10,841	\$ 9,694	\$ 32,337	\$ 28,644
Premium tax revenue	506	508	1,325	1,103
Investment income	108	118	322	341
Other revenue	22	20	67	63
Total revenue	11,477	10,340	34,051	30,151
Operating expenses:				
Medical care costs	10,044	8,643	29,352	25,425
General and administrative expenses	729	676	2,214	2,078
Premium tax expenses	506	508	1,325	1,103
Depreciation and amortization	45	47	151	138
Other	16	(1)	66	80
Total operating expenses	11,340	9,873	33,108	28,824
Operating income	137	467	943	1,327
Interest expense	49	29	140	84
Income before income tax expense	88	438	803	1,243
Income tax expense	9	112	171	315
Net income	\$ 79	\$ 326	\$ 632	\$ 928
Net income per share - Basic	\$ 1.51	\$ 5.67	\$ 11.81	\$ 16.05
Net income per share - Diluted	\$ 1.51	\$ 5.65	\$ 11.79	\$ 15.97

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In millions) (Unaudited)			
Net income	\$ 79	\$ 326	\$ 632	\$ 928
Other comprehensive gain:				
Unrealized investment gain	25	100	87	96
Less: effect of income taxes	6	24	21	23
Other comprehensive gain, net of tax	19	76	66	73
Comprehensive income	\$ 98	\$ 402	\$ 698	\$ 1,001

See accompanying notes.

CONSOLIDATED BALANCE SHEETS

	September 30, 2025	December 31, 2024
	(Dollars in millions, except per-share amounts)	
	(Unaudited)	
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 4,221	\$ 4,662
Investments	4,226	4,325
Receivables	3,515	3,299
Prepaid expenses and other current assets	590	487
Total current assets	12,552	12,773
Property, equipment, and capitalized software, net	323	288
Goodwill, and intangible assets, net	2,202	1,938
Restricted investments	300	286
Deferred income taxes, net	179	207
Other assets	142	138
Total assets	\$ 15,698	\$ 15,630
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Medical claims and benefits payable	\$ 4,844	\$ 4,640
Amounts due government agencies	1,440	1,874
Accounts payable, accrued liabilities and other	1,124	1,331
Deferred revenue	73	51
Total current liabilities	7,481	7,896
Long-term debt	3,664	2,923
Finance lease liabilities	188	195
Other long-term liabilities	174	120
Total liabilities	11,507	11,134
Stockholders' equity:		
Common stock, \$0.001 par value, 150 million shares authorized; outstanding: 51 million shares at September 30, 2025 and 56 million at December 31, 2024	—	—
Preferred stock, \$0.001 par value; 20 million shares authorized, no shares issued and outstanding	—	—
Additional paid-in capital	420	462
Accumulated other comprehensive income (loss)	9	(57)
Retained earnings	3,762	4,091
Total stockholders' equity	4,191	4,496
Total liabilities and stockholders' equity	\$ 15,698	\$ 15,630

See accompanying notes.

CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Outstanding	Amount				
				(In millions) (Unaudited)		
Balance at December 31, 2024	56	\$ —	\$ 462	\$ (57)	\$ 4,091	\$ 4,496
Net income	—	—	—	—	298	298
Common stock purchases	(2)	—	(15)	—	(485)	(500)
Stock purchase excise tax	—	—	(5)	—	—	(5)
Other comprehensive income, net	—	—	—	29	—	29
Share-based compensation	—	—	(8)	—	—	(8)
Balance at March 31, 2025	54	—	434	(28)	3,904	4,310
Net income	—	—	—	—	255	255
Other comprehensive income, net	—	—	—	18	—	18
Share-based compensation	—	—	20	—	—	20
Balance at June 30, 2025	54	—	454	(10)	4,159	4,603
Net income	—	—	—	—	79	79
Common stock purchases	(3)	—	(24)	—	(476)	(500)
Stock purchase excise tax	—	—	(5)	—	—	(5)
Other comprehensive income, net	—	—	—	19	—	19
Share-based compensation	—	—	(5)	—	—	(5)
Balance at September 30, 2025	51	\$ —	\$ 420	\$ 9	\$ 3,762	\$ 4,191

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total
	Outstanding	Amount				
				(In millions) (Unaudited)		
Balance at December 31, 2023	58	\$ —	\$ 410	\$ (82)	\$ 3,887	\$ 4,215
Net income	—	—	—	—	301	301
Other comprehensive loss, net	—	—	—	(3)	—	(3)
Share-based compensation	1	—	(20)	—	—	(20)
Balance at March 31, 2024	59	—	390	(85)	4,188	4,493
Net income	—	—	—	—	301	301
Share-based compensation	—	—	49	—	—	49
Balance at June 30, 2024	59	—	439	(85)	4,489	4,843
Net income	—	—	—	—	326	326
Common stock purchases	(2)	—	(11)	—	(489)	(500)
Stock purchase excise tax	—	—	(3)	—	—	(3)
Other comprehensive income, net	—	—	—	76	—	76
Share-based compensation	—	—	28	—	—	28
Balance at September 30, 2024	57	\$ —	\$ 453	\$ (9)	\$ 4,326	\$ 4,770

See accompanying notes.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine Months Ended September 30,	
	2025	2024
	(In millions) (Unaudited)	
Operating activities:		
Net income	\$ 632	\$ 928
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization	151	138
Deferred income taxes	37	14
Share-based compensation	27	98
Other, net	(2)	8
Changes in operating assets and liabilities:		
Receivables	(118)	(31)
Prepaid expenses and other current assets	(25)	(6)
Medical claims and benefits payable	(157)	65
Amounts due government agencies	(467)	(289)
Accounts payable, accrued liabilities and other	(195)	(33)
Deferred revenue	(44)	(53)
Income taxes	(76)	29
Net cash (used in) provided by operating activities	<u>(237)</u>	<u>868</u>
Investing activities:		
Purchases of investments	(607)	(989)
Proceeds from sales and maturities of investments	1,017	871
Net cash paid in business combinations	(245)	(344)
Purchases of property, equipment and capitalized software	(102)	(89)
Other, net	19	68
Net cash provided by (used in) investing activities	<u>82</u>	<u>(483)</u>
Financing activities:		
Proceeds from borrowings under credit facility and term loans	1,100	300
Common stock purchases	(1,000)	(500)
Repayment of credit facility and term loans	(360)	(150)
Common stock withheld to settle employee tax obligations	(37)	(57)
Other, net	35	(7)
Net cash used in financing activities	<u>(262)</u>	<u>(414)</u>
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents	(417)	(29)
Cash, cash equivalents, and restricted cash and cash equivalents at beginning of period	4,741	4,908
Cash, cash equivalents, and restricted cash and cash equivalents at end of period	<u>\$ 4,324</u>	<u>\$ 4,879</u>

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

SEPTEMBER 30, 2025

1. Organization and Basis of Presentation

Organization and Operations

Molina Healthcare, Inc. provides managed healthcare services under the Medicaid and Medicare programs, and through the state insurance marketplaces (the "Marketplace"). We currently have four reportable segments consisting of: 1) Medicaid; 2) Medicare; 3) Marketplace; and 4) Other. Our reportable segments are consistent with how we currently manage the business and view the markets we serve.

As of September 30, 2025, we served approximately 5.6 million members eligible for government-sponsored healthcare programs, located across 21 states.

Our state Medicaid contracts typically have terms of three years to five years, contain renewal options exercisable by the state Medicaid agency, and allow either the state or the health plan to terminate the contract with or without cause. Such contracts are subject to risk of loss in states that issue requests for proposal ("RFP") open to competitive bidding by other health plans. If one of our health plans is not a successful responsive bidder to a state RFP, its contract may not be renewed.

In addition to contract renewal, our state Medicaid contracts may be periodically amended to include or exclude certain health benefits (such as pharmacy services, behavioral health services, or long-term care services); populations such as the aged, blind or disabled ("ABD"); and regions or service areas.

In Medicare, we enter into Medicare Advantage-Part D contracts with the Centers for Medicare and Medicaid Services ("CMS") annually, and for dual-eligible programs, we enter into contracts with CMS, in partnership with each state's department of health and human services. Such contracts typically have terms of one year to three years.

In Marketplace, we enter into contracts with CMS, which end on December 31 of each year, and must be renewed annually.

Consolidation and Interim Financial Information

The consolidated financial statements include the accounts of Molina Healthcare, Inc. and its subsidiaries. In the opinion of management, these financial statements reflect all normal recurring adjustments, which are considered necessary for a fair presentation of the results as of the dates and for the interim periods presented. All significant intercompany balances and transactions have been eliminated. The consolidated results of operations for the nine months ended September 30, 2025 are not necessarily indicative of the results for the entire year ending December 31, 2025.

The unaudited consolidated interim financial statements have been prepared under the assumption that users of the interim financial data have either read or have access to our audited consolidated financial statements for the fiscal year ended December 31, 2024. Accordingly, certain disclosures that would substantially duplicate the disclosures contained in our December 31, 2024, audited consolidated financial statements have been omitted.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles ("GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities. Estimates also affect the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates.

2. Significant Accounting Policies

Cash and Cash Equivalents

Cash and cash equivalents consist of cash and short-term, highly liquid investments that are both readily convertible into known amounts of cash and have a maturity of three months or less on the date of purchase. The following table provides a reconciliation of cash and cash equivalents, and restricted cash and cash equivalents reported within the accompanying consolidated balance sheets that sum to the total of the same such amounts presented in the accompanying consolidated statements of cash flows. The restricted cash and cash equivalents presented below are included in "Restricted investments" in the accompanying consolidated balance sheets.

	September 30,	
	2025	2024
	(In millions)	
Cash and cash equivalents	\$ 4,221	\$ 4,732
Restricted cash and cash equivalents	103	147
Total cash, cash equivalents, and restricted cash and cash equivalents presented in the consolidated statements of cash flows	<u>\$ 4,324</u>	<u>\$ 4,879</u>

Receivables

Receivables consist primarily of premium amounts due from government agencies, which are subject to potential retroactive adjustments, as well as pharmacy rebates and other receivables. Government receivables amounted to \$2,241 million and \$2,223 million at September 30, 2025 and December 31, 2024, respectively. We apply the current expected credit loss model to measure expected credit losses on our receivables based on available information about past events and reasonable and supportable forecasts. Because substantially all of our receivable amounts are readily determinable and substantially all of our creditors are governmental authorities, our allowance for credit losses is insignificant. Any amounts determined to be uncollectible are charged to expense when such determination is made.

Premium Revenue Recognition and Amounts Due Government Agencies

Premium revenue is generated from our contracts with state and federal agencies, in connection with our participation in the Medicaid, Medicare, and Marketplace programs. Premium revenue is generally received based on per member per month ("PMPM") rates established in advance of the periods covered. These premium revenues are recognized in the month that members are entitled to receive healthcare services, and premiums collected in advance are deferred. Many of our contracts contain provisions that may adjust or limit revenue or profit, as described below. Consequently, we recognize premium revenue as it is earned under such provisions. Liabilities accrued for premiums to be returned under such provisions are reported in the aggregate as "Amounts due government agencies" in the accompanying consolidated balance sheets. State Medicaid programs and the federal Medicare program periodically adjust premium rates, including certain components of premium revenue that are subject to accounting estimates and are described below, and in our 2024 Annual Report on Form 10-K, Note 2, "Significant Accounting Policies," under "Premium Revenue Recognition and Amounts Due Government Agencies," and "Quality Incentives."

Minimum MLR, Medical Cost Corridors and Profit Sharing. A portion of our Medicaid premium revenue may be returned if certain minimum amounts are not spent on defined medical care costs as a percentage of premium revenue, or minimum medical loss ratio ("Minimum MLR"). Under certain medical cost corridor provisions, the health plans may receive additional premiums if amounts spent on medical care costs exceed a defined maximum threshold. This includes remaining risk corridors that were enacted by various states in 2020 in response to the reduced demand for medical services stemming from COVID-19. Our contracts with certain states contain profit sharing provisions under which we refund amounts to the states if our health plans generate profit above a certain specified percentage. In some cases, we are limited in the amount of administrative costs that we may deduct in calculating the refund, if any. We recorded aggregate liabilities under the terms of such contract provisions of \$641 million and \$1,006 million at September 30, 2025 and December 31, 2024, respectively, to "Amounts due government agencies" in the accompanying consolidated balance sheets.

The Affordable Care Act ("ACA") established a Minimum MLR of 85% for Medicare. Federal regulations define what constitutes medical costs and premium revenue. If the Minimum MLR is not met, we may be required to pay rebates to the federal government. Our dual-eligible plans may also be subject to state-specific Minimum MLRs, medical cost corridors, and profit-sharing provisions. We recognize estimated rebates as an adjustment to premium revenue in our consolidated statements of income. We recorded a liability under the terms of such contract provisions of \$38 million and \$32 million at September 30, 2025 and December 31, 2024, respectively, to "Amounts due government agencies" in the accompanying consolidated balance sheets.

The ACA established a Minimum MLR of 80% for the Marketplace. If the Minimum MLR is not met, we may be required to pay rebates to our Marketplace policyholders. The Marketplace risk adjustment program discussed below is taken into consideration when computing the Minimum MLR. We recognize estimated rebates under the Minimum MLR as an adjustment to premium revenue in our consolidated statements of income. We recorded a liability under the terms of such contract provisions of \$18 million and \$30 million at September 30, 2025 and December 31, 2024, respectively, to "Amounts due government agencies" in the accompanying consolidated balance sheets.

Risk Adjustment. Our Medicare premiums are subject to retroactive increase or decrease based on the health status of our Medicare members (as measured by member risk score). We estimate our members' risk scores and the related amount of Medicare revenue that will ultimately be realized for the periods presented based on our knowledge of our members' health status, risk scores and CMS practices. We also estimate amounts owed to CMS for Part D settlements. We recorded a liability under the terms of such contract provisions of \$128 million and \$115 million at September 30, 2025 and December 31, 2024, respectively, to "Amounts due government agencies" in the accompanying consolidated balance sheets.

Under this program for our Marketplace business, our health plans' composite risk scores are compared with the overall average risk score for the relevant state and market pool. Generally, our health plans will make a risk adjustment payment into the pool if their composite risk scores are below the average risk score (risk adjustment payable) and will receive a risk adjustment payment from the pool if their composite risk scores are above the average risk score (risk adjustment receivable). We estimate our ultimate premium based on insurance policy year-to-date experience and recognize estimated premiums relating to the risk adjustment program as an adjustment to premium revenue in our consolidated statements of income. As of September 30, 2025, Marketplace risk adjustment payables amounted to \$353 million and related receivables amounted to \$183 million, for a net payable of \$170 million. As of December 31, 2024, Marketplace risk adjustment payables amounted to \$290 million and related receivables amounted to \$192 million, for a net payable of \$98 million.

Premium Deficiency Reserve on Loss Contracts

We assess the profitability of our contracts to determine if it is probable that a loss will be incurred in the future by reviewing current results and forecasts. For purposes of this assessment, contracts are grouped in a manner consistent with our method of acquiring, servicing and measuring the profitability of such contracts. A premium deficiency reserve ("PDR") is recognized if anticipated future medical care and administrative costs exceed anticipated future premium revenue, investment income and reinsurance recoveries.

Concentrations of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash and cash equivalents, investments, receivables, and restricted investments. Our investments and a portion of our cash equivalents are managed by professional portfolio managers operating under documented investment guidelines. Our portfolio managers must obtain our prior approval before selling investments where the loss position of those investments exceeds certain levels. Our investments consist primarily of investment-grade debt securities with final maturities of less than 15 years, or less than 15 years average life for structured securities. Restricted investments are invested principally in cash, cash equivalents, U.S. Treasury securities, and corporate debt securities. Concentration of credit risk with respect to accounts receivable is limited because our payors consist principally of the federal government, and governments of each state in which our health plan subsidiaries operate.

Income Taxes

The provision for income taxes is determined using an estimated annual effective tax rate, which generally differs from the U.S. federal statutory rate primarily because of tax credits, state taxes, and nondeductible expenses such as certain compensation and other general and administrative expenses.

The effective tax rate may be subject to fluctuations during the year as new information is obtained. Such information may affect the assumptions used to estimate the annual effective tax rate, including projected pretax earnings, the mix of pretax earnings in the various tax jurisdictions in which we operate, valuation allowances against deferred tax assets, the recognition or the reversal of the recognition of tax benefits related to uncertain tax positions, and changes in or the interpretation of tax laws in jurisdictions where we conduct business. We recognize deferred tax assets and liabilities for temporary differences between the financial reporting basis and the tax basis of our assets and liabilities, along with net operating loss and tax credit carryovers.

Recent Accounting Pronouncements

In September 2025, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2025-06, *Targeted Improvements to the Accounting for Internal-Use Software*, which modernizes the accounting for internal-use software costs to better align with the way that software is currently developed. The update removes all reference to the project stages of software development and establishes two criteria that must be met to begin capitalizing software costs. ASU 2025-06 is effective for annual reporting beginning with the fiscal year ending December 31, 2028, and for interim periods therein. It can be adopted using a prospective, modified, or retrospective approach, and early adoption is permitted. We are currently evaluating the impact of the update to our consolidated financial statements.

Other recent accounting pronouncements issued by the Financial Accounting Standards Board (including its Emerging Issues Task Force), the American Institute of Certified Public Accountants, and the Securities and Exchange Commission ("SEC") did not have, nor does management expect such pronouncements to have, a significant impact on our present or future consolidated financial statements.

3. Net Income Per Share

The following table sets forth the calculation of basic and diluted net income per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
(In millions, except net income per share)				
Numerator:				
Net income	\$ 79	\$ 326	\$ 632	\$ 928
Denominator:				
Shares outstanding at the beginning of the period	53.6	58.1	55.0	57.8
Weighted-average number of shares issued:				
Stock-based compensation	—	—	0.2	0.2
Stock purchases	(1.1)	(0.5)	(1.7)	(0.2)
Denominator for basic net income per share	52.5	57.6	53.5	57.8
Effect of dilutive securities: ⁽¹⁾				
Stock-based compensation	—	0.1	0.1	0.3
Denominator for diluted net income per share	52.5	57.7	53.6	58.1
Net income per share - Basic ⁽²⁾	\$ 1.51	\$ 5.67	\$ 11.81	\$ 16.05
Net income per share - Diluted ⁽²⁾	\$ 1.51	\$ 5.65	\$ 11.79	\$ 15.97

(1) The dilutive effect of all potentially dilutive common shares is calculated using the treasury stock method. Certain potentially dilutive common shares issuable are not included in the computation of diluted net income per share because to do so would be anti-dilutive. For the three and nine months ended September 30, 2025, 532,000 and 265,000 shares were excluded from diluted shares outstanding. For the three and nine months ended September 30, 2024, 196,000 and 102,000 shares, respectively, were excluded from diluted shares outstanding.

(2) Source data for calculations in thousands.

4. Business Combinations

ConnectiCare. Effective February 1, 2025, we closed on our acquisition of 100% of the issued and outstanding capital stock of ConnectiCare Holding Company, Inc. ("ConnectiCare") for \$350 million in cash. For this transaction, we applied the acquisition method of accounting, where the total purchase price was preliminarily allocated to the tangible and intangible assets acquired and liabilities assumed, based on their fair values as of the acquisition date. The pro forma effects of this acquisition for prior periods were not material to our consolidated results of operations. Acquisition costs amounted to \$3 million in the aggregate for the nine months ended September 30, 2025, and were recorded as "General and administrative expenses" in the accompanying consolidated statements of income.

The valuation of the assets acquired and liabilities assumed has not yet been finalized. Further, the finalization of purchase price adjustments as provided in the stock purchase agreement is expected to occur in the first quarter of 2026. As a result, provisional estimates have been recorded and are subject to change, primarily for accounts that include the use of estimates, such as medical claims and benefits payable, receivables, amounts due government agencies, certain acquired intangible assets, and certain tax assets and liabilities.

Goodwill is calculated as the excess of the consideration transferred over the net assets recognized and represents the estimated future economic benefits arising from other assets acquired that could not be individually identified and separately recognized. Such assets include synergies we expect to achieve as a result of the transaction, such as the use of our existing infrastructure to support the added membership, and future economic benefits arising from the assembled workforce. Goodwill was assigned to the Medicare, Marketplace, and Other segments and is not deductible for income tax purposes. The following table summarizes the provisional fair values assigned to assets acquired and liabilities assumed, in millions.

Assets acquired:	
Current assets	\$ 464
Goodwill	276
Intangible assets	61
Other long-term assets	54
Liabilities assumed:	
Medical claims and benefits payable	(361)
Amounts due government agencies	(33)
Accounts payable, accrued and other long-term liabilities	(111)
Fair value of net assets acquired	\$ 350

The table below presents intangible assets acquired, by major class, for the ConnectiCare acquisition. The weighted-average amortization period, in the aggregate, is 9.8 years.

	Fair Value	Life
	(In millions)	(Years)
Contract rights - member list	\$ 36	7
Trade name	19	15
Provider network	6	10
	<u>\$ 61</u>	

5. Fair Value Measurements

We consider the carrying amounts of current assets and current liabilities to approximate their fair values because of the relatively short period of time between the origination of these instruments and their expected realization or payment. For our financial instruments measured at fair value on a recurring basis, we prioritize the inputs used in measuring fair value according to the three-tier fair value hierarchy. For a description of the methods and assumptions used to: a) estimate the fair value; and b) determine the classification according to the fair value hierarchy for each financial instrument, refer to our 2024 Annual Report on Form 10-K, Note 5, "Fair Value Measurements."

Our financial instruments measured at fair value on a recurring basis at September 30, 2025, were as follows:

	Total	(In millions)		Unobservable Inputs (Level 3)
		Observable Inputs (Level 1)	Directly or Indirectly Observable Inputs (Level 2)	
Corporate debt securities	\$ 2,600	\$ —	\$ 2,600	\$ —
Mortgage-backed securities	982	—	982	—
Asset-backed securities	396	—	396	—
Municipal securities	178	—	178	—
U.S. Treasury notes	22	—	22	—
Other	48	—	48	—
Total assets	\$ 4,226	\$ —	\$ 4,226	\$ —

Our financial instruments measured at fair value on a recurring basis at December 31, 2024, were as follows:

	Total	Observable Inputs (Level 1)	Directly or Indirectly Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
	(In millions)			
Corporate debt securities	\$ 2,744	\$ —	\$ 2,744	\$ —
Mortgage-backed securities	914	—	914	—
Asset-backed securities	431	—	431	—
Municipal securities	183	—	183	—
U.S. Treasury notes	5	—	5	—
Other	48	—	48	—
Total assets	<u>\$ 4,325</u>	<u>\$ —</u>	<u>\$ 4,325</u>	<u>\$ —</u>

Fair Value Measurements – Disclosure Only

The carrying amounts and estimated fair values of our notes payable are classified as Level 2 financial instruments. Fair value for these securities is determined using a market approach based on quoted market prices for similar securities in active markets or quoted prices for identical securities in inactive markets.

	September 30, 2025		December 31, 2024	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
	(In millions)			
4.375% Notes due 2028	\$ 796	\$ 781	\$ 795	\$ 759
3.875% Notes due 2030	645	602	645	578
3.875% Notes due 2032	744	680	743	648
6.250% Notes due 2033	741	758	740	741
Term Loans	738	738	—	—
Total	<u>\$ 3,664</u>	<u>\$ 3,559</u>	<u>\$ 2,923</u>	<u>\$ 2,726</u>

6. Investments

Available-for-Sale

We consider all of our investments classified as current assets to be available-for-sale. The following tables summarize our current investments as of the dates indicated:

	September 30, 2025			
	Amortized Cost	Gross Unrealized		Estimated Fair Value
		Gains	Losses	
	(In millions)			
Corporate debt securities	\$ 2,574	\$ 35	\$ 9	\$ 2,600
Mortgage-backed securities	996	10	24	982
Asset-backed securities	396	3	3	396
Municipal securities	178	2	2	178
U.S. Treasury notes	22	—	—	22
Other	48	1	1	48
Total	<u>\$ 4,214</u>	<u>\$ 51</u>	<u>\$ 39</u>	<u>\$ 4,226</u>

	December 31, 2024			
	Amortized Cost	Gross Unrealized		Estimated Fair Value
		Gains	Losses	
		(In millions)		
Corporate debt securities	\$ 2,769	\$ 10	\$ 35	\$ 2,744
Mortgage-backed securities	953	2	41	914
Asset-backed securities	435	2	6	431
Municipal securities	188	—	5	183
U.S. Treasury notes	5	—	—	5
Other	50	—	2	48
Total	\$ 4,400	\$ 14	\$ 89	\$ 4,325

The contractual maturities of our current investments as of September 30, 2025 are summarized below:

	Amortized Cost	Estimated Fair Value
	(In millions)	
Due in one year or less	\$ 649	\$ 646
Due after one year through five years	1,784	1,801
Due after five years through ten years	610	621
Due after ten years	1,171	1,158
Total	\$ 4,214	\$ 4,226

In the nine months ended September 30, 2025, and 2024, maturities and redemptions of available-for-sale securities amounted to \$933 million and \$786 million, respectively, and sales amounted to \$84 million and \$85 million, respectively. Gross realized gains and losses from sales of available-for-sale securities are calculated under the specific identification method and are included in investment income. Gross realized investment gains and losses were insignificant for the nine months ended September 30, 2025 and 2024.

We have determined that unrealized losses at September 30, 2025, and December 31, 2024, primarily resulted from fluctuating interest rates, rather than a deterioration of the creditworthiness of the issuers. Further, as of September 30, 2025, we do not intend to sell, and it is not likely that we will be required to sell these investments prior to the recovery of their amortized cost basis. Therefore, we determined that an allowance for credit losses was not necessary.

The following table segregates those available-for-sale investments that have been in a continuous loss position for less than 12 months, and those that have been in a continuous loss position for 12 months or more as of September 30, 2025:

	In a Continuous Loss Position for Less than 12 Months			In a Continuous Loss Position for 12 Months or More		
	Estimated Fair Value	Unrealized Losses	Total Number of Positions	Estimated Fair Value	Unrealized Losses	Total Number of Positions
	(Dollars in millions)					
Corporate debt securities	\$ —	\$ —	—	\$ 493	\$ 9	243
Mortgage-backed securities	92	1	65	339	23	212
Asset-backed securities	—	—	—	87	3	44
Municipal securities	—	—	—	62	2	67
Other	—	—	—	14	1	17
Total	\$ 92	\$ 1	65	\$ 995	\$ 38	583

The following table segregates those available-for-sale investments that have been in a continuous loss position for less than 12 months, and those that have been in a continuous loss position for 12 months or more as of December 31, 2024:

	In a Continuous Loss Position for Less than 12 Months			In a Continuous Loss Position for 12 Months or More		
	Estimated Fair Value	Unrealized Losses	Total Number of Positions	Estimated Fair Value	Unrealized Losses	Total Number of Positions
(Dollars in millions)						
Corporate debt securities	\$ 811	\$ 10	541	\$ 935	\$ 25	449
Mortgage-backed securities	271	5	197	406	36	244
Asset-backed securities	84	1	48	143	5	73
Municipal securities	38	1	27	95	4	89
Other	—	—	—	15	2	16
Total	\$ 1,204	\$ 17	813	\$ 1,594	\$ 72	871

Restricted Investments Held-to-Maturity

Pursuant to the regulations governing our state health plan subsidiaries, we maintain statutory deposits and deposits required by government authorities primarily in cash, cash equivalents, U.S. Treasury securities, and corporate debt securities. We also maintain restricted investments as protection against the insolvency of certain capitated providers. The use of these funds is limited as required by regulations in the various states in which we operate, or as needed in the event of insolvency of capitated providers. Therefore, such investments are reported as "Restricted investments" in the accompanying consolidated balance sheets.

We have the ability to hold these restricted investments until maturity and, as a result, we would not expect the value of these investments to decline significantly due to a sudden change in market interest rates. Our held-to-maturity restricted investments are carried at amortized cost, which approximates fair value. Such investments amounted to \$300 million at September 30, 2025, of which \$267 million will mature in one year or less, \$28 million will mature in one through five years, and \$5 million will mature after five years.

7. Medical Claims and Benefits Payable

The following tables present the components of the change in our medical claims and benefits payable for the periods indicated. The amounts presented for "Components of medical care costs related to: Prior years" represent the amount by which our original estimate of medical claims and benefits payable at the beginning of the year varied from the actual liabilities, based on information (principally the payment of claims) developed since those liabilities were first reported.

	Nine Months Ended September 30, 2025				
	Medicaid	Medicare	Marketplace	Other	Consolidated
	(In millions)				
Medical claims and benefits payable, beginning balance	\$ 3,667	\$ 722	\$ 251	\$ —	\$ 4,640
Components of medical care costs related to:					
Current year	22,165	4,306	2,940	65	29,476
Prior years	(118)	(56)	50	—	(124)
Total medical care costs	22,047	4,250	2,990	65	29,352
Payments for medical care costs related to:					
Current year	19,074	3,753	2,525	73	25,425
Prior years	3,067	676	306	10	4,059
Total paid	22,141	4,429	2,831	83	29,484
Acquired balances, net of post-acquisition adjustments	—	152	173	36	361
Change in non-risk and other payables	(25)	—	—	—	(25)
Medical claims and benefits payable, ending balance	\$ 3,548	\$ 695	\$ 583	\$ 18	\$ 4,844

	Nine Months Ended September 30, 2024				
	Medicaid	Medicare	Marketplace	Other	Consolidated
	(In millions)				
Medical claims and benefits payable, beginning balance	\$ 3,444	\$ 532	\$ 228	\$ —	\$ 4,204
Components of medical care costs related to:					
Current year	20,903	3,798	1,349	—	26,050
Prior years	(553)	(70)	(2)	—	(625)
Total medical care costs	20,350	3,728	1,347	—	25,425
Payments for medical care costs related to:					
Current year	17,813	3,237	1,122	—	22,172
Prior years	2,256	742	217	—	3,215
Total paid	20,069	3,979	1,339	—	25,387
Acquired balances, net of post-acquisition adjustments	—	463	—	—	463
Change in non-risk and other payables	27	—	—	—	27
Medical claims and benefits payable, ending balance	\$ 3,752	\$ 744	\$ 236	\$ —	\$ 4,732

Incurred but not paid ("IBNP") plus expected development on reported claims as of September 30, 2025 was \$3,173 million. IBNP includes the costs of claims incurred as of the balance sheet date which have been reported to us, and our best estimate of the cost of claims incurred but not yet reported to us. Our estimates of medical claims and benefits payable recorded at December 31, 2024, and 2023 developed favorably by approximately \$124 million and \$625 million as of September 30, 2025, and 2024, respectively.

The favorable prior year development recognized in the nine months ended September 30, 2025 was primarily attributable to reserving under moderately adverse conditions. On a consolidated basis, the ultimate costs recognized in 2025, as claims payments were processed, were lower than our estimates in 2024; however, medical costs in our Marketplace segment were higher than our original estimates.

8. Debt

The following table summarizes our outstanding debt obligations, all of which are non-current as of the dates reported below:

	September 30, 2025	December 31, 2024
(In millions)		
Non-current long-term debt:		
4.375% Notes due 2028	\$ 800	\$ 800
3.875% Notes due 2030	650	650
3.875% Notes due 2032	750	750
6.250% Notes due 2033	750	750
Term Loans	740	—
Deferred debt issuance costs	(26)	(27)
Total	<u>\$ 3,664</u>	<u>\$ 2,923</u>

Credit Agreement

On February 19, 2025, we entered into a Third Amendment to our credit agreement, which reflects the establishment of a delayed draw commitment (“Term Loan A-1”) in an aggregate principal amount of \$500 million. Term Loan A-1 matures on February 19, 2027. On August 12, 2025, we entered into a Fourth Amendment to our credit agreement (as amended by the Third Amendment and the Fourth Amendment, the “Amended Credit Agreement”), which reflects the establishment of an additional delayed draw commitment (“Term Loan A-2” and, together with the Term Loan A-1, the “Term Loans”) in an aggregate principal amount of \$500 million. Term Loan A-2 matures on August 12, 2027.

The Amended Credit Agreement also includes a revolving credit facility (“Credit Facility”) of \$1.25 billion, among other provisions. The Amended Credit Agreement has a term of five years, and all amounts outstanding (other than the Term Loans) will be due and payable on September 20, 2029. Borrowings under the Amended Credit Agreement bear interest based, at our election, on a base rate or other defined rate, plus in each case, the applicable margin. In addition to interest payable on the principal amount of indebtedness outstanding from time to time under the Amended Credit Agreement, we are required to pay a quarterly commitment fee. We have other relationships, including financial advisory and banking, with some parties to the Amended Credit Agreement.

The Amended Credit Agreement contains customary non-financial and financial covenants. As of September 30, 2025, we were in compliance with all financial and non-financial covenants under the Amended Credit Agreement.

In the nine months ended September 30, 2025, we borrowed \$950 million under the Term Loans and \$150 million under the Credit Facility. In the nine months ended September 30, 2025, we repaid \$210 million under the Term Loans and \$150 million under the Credit Facility. As of September 30, 2025, no amount was outstanding under the Credit Facility and \$740 million was outstanding under the Term Loans.

Senior Notes

Our senior notes are described below. Each of these notes are senior unsecured obligations of the parent corporation, Molina Healthcare, Inc., and rank equally in right of payment with all existing and future senior debt, and senior to all existing and future subordinated debt of Molina Healthcare, Inc. In addition, each of the indentures governing the senior notes contain customary non-financial covenants and change of control provisions. As of September 30, 2025, we were in compliance with all non-financial covenants in the indentures governing the senior notes.

The indentures governing the senior notes contain cross-default provisions that are triggered upon default by us or any of our subsidiaries on any indebtedness in excess of the amount specified in the applicable indenture.

4.375% Notes due 2028. We have \$800 million aggregate principal amount of senior notes (the “4.375% Notes”) outstanding as of September 30, 2025, which are due June 15, 2028, unless earlier redeemed. Interest, at a rate of 4.375% per annum, is payable semiannually in arrears on June 15 and December 15.

3.875% Notes due 2030. We have \$650 million aggregate principal amount of senior notes (the “3.875% Notes due 2030”) outstanding as of September 30, 2025, which are due November 15, 2030, unless earlier redeemed. Interest, at a rate of 3.875% per annum, is payable semiannually in arrears on May 15 and November 15.

3.875% Notes due 2032. We have \$750 million aggregate principal amount of senior notes (the "3.875% Notes due 2032") outstanding as of September 30, 2025, which are due May 15, 2032, unless earlier redeemed. Interest, at a rate of 3.875% per annum, is payable semiannually in arrears on May 15 and November 15.

6.250% Notes due 2033. We have \$750 million aggregate principal amount of senior notes (the "6.250% Notes due 2033") outstanding as of September 30, 2025, which are due January 15, 2033, unless earlier redeemed. Interest, at a rate of 6.250% per annum, is payable semiannually in arrears on January 15 and July 15.

9. Stockholders' Equity

In October 2024, our board of directors authorized the purchase of up to \$1 billion of our common stock. This program had superseded the stock purchase program previously approved by our board of directors in September 2023. Under this program, pursuant to a Rule 10b5-1 trading plan, we purchased approximately 1,679,000 shares for \$500 million in the first quarter of 2025 (average cost of \$297.83 per share). These first quarter purchases exhausted the funds available under the board's October 2024 \$1 billion repurchase authorization.

In April 2025, our board of directors newly authorized the purchase of up to an additional \$1 billion of our common stock. This new program extends through December 31, 2026. Under this program, pursuant to a Rule 10b5-1 trading plan, we purchased approximately 2,849,000 shares for \$500 million in the third quarter of 2025 (average cost of \$175.50 per share).

We have accrued a stock repurchase excise tax of \$18 million related to the current and prior year share repurchase programs as of September 30, 2025. As of December 31, 2024, we had accrued a stock repurchase excise tax of \$8 million related to the prior year share repurchase program. These amounts are located in "Accounts payable, accrued liabilities and other" and "Additional paid-in capital" in the accompanying consolidated balance sheets.

10. Segments

We currently have four reportable segments consisting of: 1) Medicaid; 2) Medicare; 3) Marketplace; and 4) Other. Our reportable segments are consistent with how we currently manage the business and view the markets we serve.

The Medicaid, Medicare, and Marketplace segments represent the government-funded or sponsored programs under which we offer managed healthcare services. The Other segment, which is insignificant to our consolidated results of operations, includes long-term services and supports consultative services in Wisconsin and the commercial portion of the business acquired in connection with the ConnectiCare transaction that closed effective February 1, 2025.

The key metrics used to assess the performance of our segments are revenue, margin and medical care ratio ("MCR"). MCR represents the amount of medical care costs as a percentage of premium revenue. Therefore, the underlying margin, or the amount earned by the segments after medical or service costs are deducted from revenue, represents the most important measure of earnings reviewed by management, and is used by our chief executive officer, who is our chief operating decision maker, to review results, assess performance, and allocate resources. Such oversight and decision making includes, among others, pricing, approving capital expenditures, and identifying growth opportunities. We do not report total assets by segment since this is not a metric used to assess segment performance or allocate resources.

	Three Months Ended September 30, 2025				
	Medicaid	Medicare	Marketplace	Other	Total
	(In millions)				
Revenue:					
Premium revenue	\$ 8,015	\$ 1,610	\$ 1,197	\$ 19	\$ 10,841
Service revenue	—	—	—	21	21
Revenue from external customers	8,015	1,610	1,197	40	10,862
Other operating revenues ⁽¹⁾					615
Total revenue					11,477
Operating Expenses:					
Medical care costs	7,376	1,507	1,144	17	10,044
Cost of service revenue	—	—	—	20	20
Segment expenses	7,376	1,507	1,144	37	10,064
Other operating expenses ⁽²⁾					1,276
Operating income					137
Less: interest expense					49
Income before income tax expense					\$ 88
Segment Margin:					
Medical margin	\$ 639	\$ 103	\$ 53	\$ 2	\$ 797
Service margin	—	—	—	1	1

	Three Months Ended September 30, 2024				
	Medicaid	Medicare	Marketplace	Other	Total
	(In millions)				
Revenue:					
Premium revenue	\$ 7,668	\$ 1,367	\$ 659	\$ —	\$ 9,694
Service revenue	—	—	—	20	20
Revenue from external customers	7,668	1,367	659	20	9,714
Other operating revenues ⁽¹⁾					626
Total revenue					10,340
Operating Expenses:					
Medical care costs	6,938	1,225	480	—	8,643
Cost of service revenue	—	—	—	19	19
Segment expenses	6,938	1,225	480	19	8,662
Other operating expenses ⁽²⁾					1,211
Operating income					467
Less: interest expense					29
Income before income tax expense					\$ 438
Segment Margin:					
Medical margin	\$ 730	\$ 142	\$ 179	\$ —	\$ 1,051
Service margin	—	—	—	1	1

	Nine Months Ended September 30, 2025					Total
	Medicaid	Medicare	Marketplace	Other		
	(In millions)					
Revenue:						
Premium revenue	\$ 24,174	\$ 4,686	\$ 3,401	\$ 76	\$ 32,337	
Service revenue	—	—	—	65	65	
Revenue from external customers	24,174	4,686	3,401	141	32,402	
Other operating revenues ⁽¹⁾					1,649	
Total revenue					34,051	
Operating Expenses:						
Medical care costs	22,047	4,250	2,990	65	29,352	
Cost of service revenue	—	—	—	58	58	
Segment expenses	22,047	4,250	2,990	123	29,410	
Other operating expenses ⁽²⁾					3,698	
Operating income					943	
Less: interest expense					140	
Income before income tax expense					\$ 803	
Segment Margin:						
Medical margin	\$ 2,127	\$ 436	\$ 411	\$ 11	\$ 2,985	
Service margin	—	—	—	7	7	

	Nine Months Ended September 30, 2024					Total
	Medicaid	Medicare	Marketplace	Other		
	(In millions)					
Revenue:						
Premium revenue	\$ 22,538	\$ 4,250	\$ 1,856	\$ —	\$ 28,644	
Service revenue	—	—	—	60	60	
Revenue from external customers	22,538	4,250	1,856	60	28,704	
Other operating revenues ⁽¹⁾					1,447	
Total revenue					30,151	
Operating Expenses:						
Medical care costs	20,350	3,728	1,347	—	25,425	
Cost of service revenue	—	—	—	55	55	
Segment expenses	20,350	3,728	1,347	55	25,480	
Other operating expenses ⁽²⁾					3,344	
Operating income					1,327	
Less: interest expense					84	
Income before income tax expense					\$ 1,243	
Segment Margin:						
Medical margin	\$ 2,188	\$ 522	\$ 509	\$ —	\$ 3,219	
Service margin	—	—	—	5	5	

(1) Other operating revenues include premium tax revenue, investment income, and certain other revenue.

(2) Other operating expenses include general and administrative expenses, premium tax expenses, depreciation and amortization, and certain other operating expenses.

11. Commitments and Contingencies

Legal Proceedings

The healthcare industry is subject to numerous laws and regulations of federal, state, and local governments, as well as various contractual provisions, governing our operations. Compliance with these laws, regulations, and contractual provisions can be subject to government audit, review, and interpretation, as well as regulatory actions. Penalties associated with violations of these laws, regulations, and contractual provisions can include significant fines and penalties, temporary or permanent exclusion from participating in publicly funded programs, a limitation on our ability to market or sell products, the repayment of previously billed and collected revenues, and reputational damage.

We are involved in legal actions in the ordinary course of business including, but not limited to, various employment claims, vendor disputes, and provider claims. Some of these legal actions seek monetary damages, including claims for punitive damages, which may not be covered by insurance. We review legal matters and update our estimates, or range of estimates, of reasonably possible and estimable losses and related disclosures, as necessary. We have accrued liabilities for legal matters for which we deem the loss to be both probable and reasonably estimable. These liability estimates could change as a result of further developments. The outcome of these legal actions are inherently uncertain. An adverse determination in one or more of these pending matters could have a material adverse effect on our consolidated financial position, results of operations, or cash flows.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS ("MD&A")

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q (this "Form 10-Q") contains forward-looking statements. We intend such forward-looking statements to be covered under the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, or Securities Act, and Section 21E of the Securities Exchange Act of 1934, or Securities Exchange Act. Many of the forward-looking statements are located under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations." 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 10-Q 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 10-Q include, but are not limited to, statements regarding our future results of operations and financial position, industry and business trends, legislative and regulatory developments and their potential impact, business strategy, strategic transactions and commercial arrangements, membership, medical cost and market trends and our objectives for future operations. Readers 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 significantly due to numerous known and unknown risks and uncertainties.

Those known risks and uncertainties include, but are not limited to, the risk factors identified in the section titled "Risk Factors" in our 2024 Annual Report on Form 10-K, including without limitation risks related to the following matters:

- *the implementation in 2025 or 2026 of Medicaid rate adjustments and updates that are not commensurate with the current medical cost trends in our states and the health acuity levels of our members;*
- *federal or state legislative or regulatory changes, including changes effected by the One Big Beautiful Bill Act, or changes through executive orders, to the Medicaid, Medicare, or Marketplace programs, including potential reductions in Medicaid funding, changes to the federal matching percentage paid to states for either the Medicaid expansion or general population, block grants or per capita caps, work requirements, the reduction or elimination of provider taxes, the non-renewal of Marketplace subsidies, or the implementation of new program integrity rules, insufficient Medicare Advantage rate adjustments, or amendments of the Affordable Care Act ("ACA");*
- *budget pressures on state governments and states' efforts to reduce rates or limit rate increases;*
- *evolving Marketplace dynamics including issues impacting enrollment, special enrollment periods, member choice, premium subsidies, broker rates, risk adjustment estimates and results, Marketplace plan insolvencies or receiverships, and the potential for disproportionate enrollment of higher acuity members;*
- *the success of our efforts to retain existing or awarded government contracts, the success of our bid submissions in response to requests for proposal, and our ability to identify merger and acquisition targets to support our continued growth over time at projected levels;*
- *the success of the scaling up of our operations in new states in connection with request for proposal wins, and the satisfaction of all readiness review requirements under the new Medicaid contracts;*
- *our ability to integrate our acquisitions and realize benefits as projected;*
- *subsequent adjustments to reported premium revenue based upon subsequent developments or new information, including retroactive Medicaid rate adjustments in a state or changes to estimated amounts payable or receivable related to Marketplace risk adjustment;*
- *effective management of our medical costs;*
- *our ability to predict with a reasonable degree of accuracy utilization rates;*
- *cyber-attacks, ransomware attacks, or other privacy or data security incidents involving either ourselves or our contracted vendors, that result in an inadvertent unauthorized disclosure of protected information or operational delays;*
- *the ability to manage our operations, including maintaining and creating adequate internal systems and controls relating to authorizations, approvals, provider payments, and the overall success of our care management initiatives;*
- *operational improvements, efficiencies, and cost savings that are less than anticipated, or that result in unforeseen consequences, from our investments in artificial intelligence ("AI") administrative tools and initiatives;*
- *the impact of our working in a remote work environment;*

- our receipt of adequate premium rates to support increasing pharmacy costs, including costs associated with specialty drugs and costs resulting from formulary changes that allow the option of higher-priced non-generic drugs;
- the interpretation, implementation, and estimates of amounts owed for federal or state medical cost expenditure floors, administrative cost and profit ceilings, premium stabilization programs, profit-sharing arrangements, and risk adjustment provisions and requirements;
- the interpretation and implementation of at-risk premium rules and state contract performance requirements regarding the achievement of certain quality measures, and our ability to recognize revenue amounts associated therewith;
- the transition of Medicare-Medicaid pilot programs in California, Illinois, Michigan, Ohio, South Carolina, and Texas serving those dually eligible for both Medicare and Medicaid, the increasing integration of Medicare and Medicaid programmatic and compliance requirements, and the extension or incorporation of federal Medicare requirements developed by the Centers for Medicare and Medicaid Services ("CMS") into state-administered Medicaid programs;
- the accurate estimation of incurred but not reported or paid medical costs across our health plans;
- changes in our annual effective tax rate due to federal and/or state legislation, or changes in our mix of earnings and other factors;
- the efficient and effective operations of the vendors on whom our business relies;
- complications, member confusion, or enrollment backlogs related to the renewal of Medicaid coverage;
- fraud, waste and abuse matters, government audits, reviews, or investigations, comment letters, and any fine, sanction, enrollment freeze, debarment, corrective action plan, monitoring program, or premium recovery that may result therefrom;
- the success of our providers, including delegated providers, the adequacy of our provider networks, the successful maintenance of relations with our providers, and potential medical or pharmaceutical supply shortfalls suffered by our providers incidental to the implementation of tariffs;
- approval by state regulators of dividends and distributions by our health plan subsidiaries;
- high dollar claims related to catastrophic illness;
- the favorable resolution of litigation, arbitration, or administrative proceedings;
- the greater scale and revenues of our health plans in California, New York, Texas, and Washington, and risks related to the concentration of our business in those states;
- the failure to comply with the financial or other covenants in the Amended Credit Agreement (as defined below) or the indentures governing our outstanding senior notes;
- the availability of adequate financing on acceptable terms to fund and capitalize our expansion and growth, and meet our general liquidity needs;
- the failure of a state in which we operate to renew its federal Medicaid waiver;
- risks associated with vaccine hesitancy and the potential for a new epidemic or pandemic, including risks presented by the H5N1 bird flu or the measles;
- changes generally affecting the managed care industry, including any new federal or state legislation that impacts the business space in which we operate;
- increases in government surcharges, taxes, and assessments;
- the impact of inflation on our medical costs and the cost of refinancing our outstanding indebtedness;
- the unexpected loss of the leadership of one or more of our senior executives; and
- increasing competition and consolidation in the Medicaid or general healthcare sector.

Each of the terms "Molina Healthcare, Inc.," "Molina Healthcare," "Company," "we," "our," and "us," as used herein, refers collectively to Molina Healthcare, Inc. and its wholly owned subsidiaries, unless otherwise stated. The forward-looking statements in this Form 10-Q are based upon information available to us as of the date of this Form 10-Q, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. We qualify all of our forward-looking statements by these cautionary statements. These forward-looking statements speak only as of the date of this Form 10-Q. The Company assumes no obligation to revise or update any forward-looking statements for any reason, except as required by law.

This Form 10-Q and the following discussion of our financial condition and results of operations should be read in conjunction with the accompanying consolidated financial statements and the notes to those statements appearing elsewhere in this report, and the audited financial statements and Management's Discussion and Analysis appearing in our 2024 Annual Report on Form 10-K.

OVERVIEW

Molina Healthcare, Inc., a FORTUNE 500 company, provides managed healthcare services under the Medicaid and Medicare programs, and through the state insurance marketplaces (the "Marketplace"). We served approximately 5.6 million members as of September 30, 2025, located across 21 states.

THIRD QUARTER 2025 HIGHLIGHTS

We reported net income of \$79 million, or \$1.51 per diluted share, for the third quarter of 2025, which reflected the following:

- Membership of 5.6 million at September 30, 2025, which increased 30,000, or 0.5%, compared with September 30, 2024, primarily due to the growth in the Marketplace segment, including the ConnectiCare acquisition, partially offset by the impact of the Virginia contract termination and general contraction in Medicaid;
- Premium revenue of \$10.8 billion, which increased 12% compared with the third quarter of 2024, and mainly reflects the ConnectiCare acquisition, rate increases, and growth in our current footprint;
- Consolidated medical care ratio ("MCR") of 92.6% compared with 89.2% for the third quarter of 2024, reflects the continuation of a very challenging medical cost trend environment for each of our segments, but especially in Marketplace;
- General and administrative expense ("G&A") ratio of 6.4%, compared with 6.5% for the third quarter of 2024, the continued benefit of fixed cost leverage as we grow our business and operating discipline; and
- Pre-tax margin of 0.8%.

CONSOLIDATED FINANCIAL SUMMARY

The following table summarizes our consolidated results of operations and other financial information for the periods indicated:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(In millions, except per-share amounts)			
Premium revenue	\$ 10,841	\$ 9,694	\$ 32,337	\$ 28,644
Less: medical care costs	10,044	8,643	29,352	25,425
Medical margin	797	1,051	2,985	3,219
<i>MCR</i> ⁽¹⁾	92.6%	89.2%	90.8%	88.8%
Other revenues:				
Premium tax revenue	506	508	1,325	1,103
Investment income	108	118	322	341
Other revenue	22	20	67	63
General and administrative expenses	729	676	2,214	2,078
<i>G&A ratio</i> ⁽²⁾	6.4%	6.5%	6.5%	6.9%
Premium tax expenses	506	508	1,325	1,103
Depreciation and amortization	45	47	151	138
Other	16	(1)	66	80
Operating income	137	467	943	1,327
Interest expense	49	29	140	84
Income before income tax expense	88	438	803	1,243
Income tax expense	9	112	171	315
Net income	\$ 79	\$ 326	\$ 632	\$ 928
Net income per share – Diluted	\$ 1.51	\$ 5.65	\$ 11.79	\$ 15.97
Diluted weighted average shares outstanding	52.5	57.7	53.6	58.1
Other Key Statistics				
Ending Membership	5.6	5.6	5.6	5.6
Effective income tax rate	10.1%	25.7%	21.3%	25.3%
Pre-tax margin ⁽³⁾	0.8%	4.2%	2.4%	4.1%

- (1) MCR represents medical care costs as a percentage of premium revenue.
(2) G&A ratio represents general and administrative expenses as a percentage of total revenue.
(3) Pre-tax margin represents income before income tax expense as a percentage of total revenue.

CONSOLIDATED RESULTS

NET INCOME AND OPERATING INCOME

Net income in the third quarter of 2025 amounted to \$79 million, or \$1.51 per diluted share, compared with \$326 million, or \$5.65 per diluted share, in the third quarter of 2024. Net income in the nine months ended September 30, 2025 amounted to \$632 million, or \$11.79 per diluted share, compared with \$928 million, or \$15.97 per diluted share, in the nine months ended September 30, 2024.

The decline in net income in the third quarter of 2025 and nine months ended September 30, 2025 compared to the prior year reflects a decline in operating income for both periods. The decrease in operating income was mainly attributable to an increase in the MCR, higher interest cost and lower investment income, partially offset by the benefit of higher membership and G&A expense efficiencies.

PREMIUM REVENUE

Premium revenue increased \$1.1 billion, or 12%, in the third quarter of 2025, when compared with the third quarter of 2024, and increased \$3.7 billion, or 13%, in the nine months ended September 30, 2025, when compared with the nine months ended September 30, 2024. The higher premium revenue mainly reflects the ConnectiCare acquisition, rate increases, and growth in our current footprint, partially offset by the impact of lower membership in Medicaid. See further discussion in "Reportable Segments—Segment Financial Performance," below.

MEDICAL CARE RATIO

The consolidated MCR in the third quarter of 2025 increased to 92.6%, compared with 89.2% in the third quarter of 2024, or 340 basis points, and the consolidated MCR in the nine months ended September 30, 2025 increased to 90.8%, compared with 88.8% MCR for the nine months ended September 30, 2024, or 200 basis points. The increase in both periods reflects MCR increases in all our segments, reflecting the continuation of a very challenging medical cost trend environment for each of our segments, especially in Marketplace, but moderated by our medical cost management initiatives. The consolidated MCR for the nine months ended September 30, 2025 is above our long-term target range. See further discussion in "Reportable Segments—Segment Financial Performance," below.

The impact of prior year reserve development in the nine months ended September 30, 2025 was partially absorbed by minimum MLRs and medical cost corridors.

PREMIUM TAX REVENUE AND EXPENSES

The premium tax ratio (premium tax expense as a percentage of premium revenue plus premium tax revenue) was 4.5% and 5.0% for the third quarter of 2025 and 2024, respectively, and 3.9% and 3.7% for the nine months ended September 30, 2025 and 2024, respectively. The current year ratio changes were mainly due to state mix changes in our Medicaid segment.

INVESTMENT INCOME

Investment income decreased to \$108 million in the third quarter of 2025, compared with \$118 million in the third quarter of 2024, and decreased to \$322 million in the nine months ended September 30, 2025, compared with \$341 million in the nine months ended September 30, 2024. The decrease was mainly attributable to a decline in prevailing interest rates, partially offset by an increase in average invested balances in each period.

OTHER REVENUE

Other revenue amounted to \$22 million in the third quarter of 2025, compared with \$20 million in the third quarter of 2024, and totaled \$67 million in the nine months ended September 30, 2025, compared with \$63 million in the nine months ended September 30, 2024. Other revenue mainly includes service revenue associated with long-term services and supports consultative services we provide in Wisconsin.

G&A EXPENSES

The G&A expense ratio was 6.4% in the third quarter of 2025, compared with 6.5% in the third quarter of 2024. The G&A expense ratio was 6.5% in the nine months ended September 30, 2025, compared with 6.9% in the nine months ended September 30, 2024. The change in G&A ratios reflects reduced incentive compensation tied to lower expected performance, operating discipline, and the continued benefit of operating leverage as we grow our business.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization was \$45 million in the third quarter of 2025, compared with \$47 million in the third quarter of 2024, and was \$151 million in the nine months ended September 30, 2025, compared with \$138 million in the nine months ended September 30, 2024. The increase in the nine months ended September 30, 2025 is due to impacts from the ConnectiCare acquisition that closed in the first quarter of 2025.

OTHER OPERATING EXPENSES

Other operating expenses increased by \$17 million in the third quarter of 2025, compared with the third quarter of 2024, and decreased by \$14 million in the nine months ended September 30, 2025, compared with the nine months ended September 30, 2024. The third quarter changes reflect the impact of non-recurring litigation recoveries

recognized in 2024, and the nine month changes reflect the impact of certain non-recurring costs associated with acquisitions, and costs for litigation incurred in 2024. Other operating expenses also include service costs associated with long-term services and supports consultative services we provide in Wisconsin, as noted above.

INTEREST EXPENSE

Interest expense was \$49 million and \$29 million in the third quarter of 2025 and 2024, respectively, and \$140 million and \$84 million for the nine months ended September 30, 2025 and 2024, respectively. The increase is due to borrowings under the Credit Facility (as defined below), borrowings under the Term Loans (as defined below) occurring in the first and third quarter of 2025, and the issuance of the \$750 million 6.250% Notes due 2033 in November 2024.

INCOME TAXES

Income tax expense amounted to \$9 million in the third quarter of 2025, or 10.1% of pretax income, compared with income tax expense of \$112 million, or 25.7% of pretax income, in the third quarter of 2024. Income tax expense amounted to \$171 million in the nine months ended September 30, 2025, or 21.3% of pretax income, compared with income tax expense of \$315 million, or 25.3% of pretax income, in the nine months ended September 30, 2024. The difference in the effective tax rate for both periods is due to an increase in tax benefits related to transferable federal tax credits, decreases in nondeductible expenses and state and local income taxes, and differences in discrete tax benefits recognized in the respective periods.

TRENDS AND UNCERTAINTIES

REGULATORY DEVELOPMENTS AND RELATED TRENDS

The President signed the One Big Beautiful Bill Act ("OBBA") into law in July 2025, which contains changes to the Medicaid and Marketplace programs. For Medicaid, the law requires states to establish work requirements, more frequent redeterminations, and cost sharing for the Expansion program over the period from 2027 to 2029, among other modifications. These changes are expected to reduce enrollment in state Medicaid programs, but the timing and magnitude of the reductions may vary by state depending on how quickly states implement the changes, as well as macroeconomic factors since some changes are subject to suspension in case of increases in local unemployment rates. We currently estimate the reduction in enrollment will be in the range of 15% to 20% on 1.3 million members in our Expansion population, and any acuity shifts should be modest and gradual. An estimated two thirds of our Expansion members already work in some capacity. The law also reduces revenues that states can raise through provider taxes to finance their share of Medicaid spending and limits payments to Medicaid providers to 100 percent of the mandated Medicare rate for Expansion states and 110 percent of the Medicare rate for non-Expansion states. These particular changes are scheduled to begin in 2028, and we expect may take 5 to 15 years to be fully implemented. Their impact is uncertain at this time and will depend on how states may adapt their future tax and Medicaid funding policies in response. Finally, the law also limits which legal aliens may be eligible for Marketplace premium tax credits ("PTCs"), and will require pre-enrollment eligibility verification in order for enrollees to receive PTCs. These changes are planned to be phased in over the period from 2026 to 2028 and are expected to reduce national Marketplace enrollment as well. The OBBA also contains tax law changes affecting businesses, including modification of certain Tax Cuts & Jobs Act provisions. We are still evaluating, but do not expect the new law to have a material impact on our financial statements.

In June 2025, the Department of Health and Human Services ("HHS") finalized the Marketplace Program Integrity and Affordability Rule. The rule, among other changes, shortens the open enrollment period ("OEP") starting in 2027, eliminates the special enrollment period ("SEP") for people with incomes at or below 150% federal poverty level, and tightens eligibility verification requirements for all enrollees. HHS expects the regulation to reduce Marketplace enrollment in 2026 predominantly in states that did not expand Medicaid. Its long term impacts are uncertain as many of the provisions sunset at the end of 2026 and some do not apply to state-based Marketplaces.

OTHER RECENT DEVELOPMENTS

RFPs and Acquisitions

Mississippi Procurement—Medicaid. Our new contract with the Mississippi Division of Medicaid commenced on July 1, 2025.

Nevada Procurement—Medicaid. In March 2025, the Nevada Department of Health and Human Services Division of Health Care Policy and Financing issued a notice of intent to award Medicaid and Children's Health Insurance Program managed care contracts to our Nevada health plan. The new contract will cover Urban Clark and Urban

Washoe. The new contract is expected to begin on January 1, 2026 and run through December 31, 2030, with one two-year extension.

Illinois Procurement—Medicare. In March 2025, the Illinois Department of Healthcare and Family Services awarded a contract to provide a Fully Integrated Dual Eligible Special Needs Plan to our Illinois health plan. This contract will replace the state's Medicare-Medicaid Alignment Initiative demonstration program. The go-live date for the new contract is expected to be January 1, 2026. The contract is expected to have an initial term of four years, with the option to extend the contract from the initial term so long as the total contract term does not exceed ten years.

Connecticut Acquisition—Marketplace and Medicare. Effective February 1, 2025, we closed on our acquisition of ConnectiCare Holding Company, Inc. ("ConnectiCare"), a wholly owned subsidiary of EmblemHealth, Inc. ConnectiCare is a leading health plan in the state of Connecticut serving approximately 140,000 members across Marketplace, Medicare, and certain commercial products. The purchase price for the transaction was \$350 million.

Florida Procurement—Medicaid. In July 2024, we were notified that the Florida Agency for Healthcare Administration awarded a Medicaid managed care contract to our Florida health plan. The contract commenced on February 1, 2025 and will run through December 31, 2030.

Wisconsin Procurement—Medicaid. In August 2025, the Wisconsin Department of Health Services awarded a contract to provide services under the Family Care and Family Care Partnership program in its Geographic Service Regions 2 and 7 to our Wisconsin health plan. The contract is expected to commence on January 1, 2026 and is expected to have a duration of two years, with an option for three two-year extensions.

In May 2024, the Wisconsin Department of Health Services awarded a contract to provide services under the Family Care and Family Care Partnership program in its Geographic Service Region 5 to our Wisconsin health plan. The contract commenced on January 1, 2025, and is expected to have a duration of two years, with an option for three two-year extensions.

Virginia Procurement—Medicaid. In April 2024, the Virginia Department of Medical Assistance Services ("DMAS") issued a notice of intent to award which did not include our Virginia health plan as an awardee for its Cardinal Care Managed Care ("CCMC") 2.0 procurement. We exercised our right to protest that decision, but DMAS upheld its issued notice of intent to award. We filed a legal action in Virginia Circuit Court over DMAS's decision not to award a CCMC 2.0 contract to our Virginia health plan, but we withdrew such action in May 2025. As result, our contracts with DMAS terminated effective June 30, 2025.

REPORTABLE SEGMENTS

As of September 30, 2025, we served approximately 5.6 million members eligible for Medicaid, Medicare, and other government-sponsored healthcare programs for low-income families and individuals, including Marketplace members, most of whom receive government premium subsidies.

We currently have four reportable segments consisting of: 1) Medicaid; 2) Medicare; 3) Marketplace; and 4) Other.

The Medicaid, Medicare, and Marketplace segments represent the government-funded or sponsored programs under which we offer managed healthcare services. The Other segment, which is insignificant to our consolidated results of operations, includes long-term services and supports consultative services in Wisconsin and the commercial portion of the business acquired in connection with the ConnectiCare transaction that closed effective February 1, 2025.

HOW WE ASSESS PERFORMANCE

We derive our revenues primarily from health insurance premiums. Our primary customers are state Medicaid agencies and the federal government.

The key metrics used to assess the performance of our segments are revenue, margin and medical care ratio ("MCR"). MCR represents the amount of medical care costs as a percentage of premium revenue. Therefore, the underlying margin, or the amount earned by the segments after medical or service costs are deducted from revenue, represents the most important measure of earnings reviewed by management, and is used by our chief executive officer, who is our chief operating decision maker, to review results, assess performance, and allocate resources. Such oversight and decision making includes, among others, pricing, approving capital expenditures, and identifying growth opportunities. We do not report total assets by segment since this is not a metric used to assess segment performance or allocate resources.

Management's discussion and analysis of the change in medical margin is discussed below under "Segment Financial Performance." For more information, see Notes to Consolidated Financial Statements, Note 10, "Segments."

SEGMENT MEMBERSHIP

The following table sets forth our membership by segment as of the dates indicated:

	September 30, 2025	December 31, 2024	September 30, 2024
Medicaid	4,639,000	4,890,000	4,941,000
Medicare	266,000	242,000	247,000
Marketplace	713,000	403,000	410,000
Other	10,000	—	—
Total	5,628,000	5,535,000	5,598,000

SEGMENT FINANCIAL PERFORMANCE

The following tables summarize premium revenue, medical margin, and MCR by segment for the periods indicated (dollars in millions):

	Three Months Ended September 30,					
	2025			2024		
	Premium Revenue	Medical Margin	MCR	Premium Revenue	Medical Margin	MCR
Medicaid	\$ 8,015	\$ 639	92.0%	\$ 7,668	\$ 730	90.5%
Medicare	1,610	103	93.6	1,367	142	89.6
Marketplace	1,197	53	95.6	659	179	73.0
Other	19	2	84.1	—	—	—
Total	\$ 10,841	\$ 797	92.6 %	\$ 9,694	\$ 1,051	89.2 %

	Nine Months Ended September 30,					
	2025			2024		
	Premium Revenue	Medical Margin	MCR	Premium Revenue	Medical Margin	MCR
Medicaid	\$ 24,174	\$ 2,127	91.2%	\$ 22,538	\$ 2,188	90.3%
Medicare	4,686	436	90.7	4,250	522	87.7
Marketplace	3,401	411	87.9	1,856	509	72.6
Other	76	11	84.8	—	—	—
Total	\$ 32,337	\$ 2,985	90.8%	\$ 28,644	\$ 3,219	88.8%

Medicaid

Medicaid premium revenue increased \$347 million, or 5%, in the third quarter of 2025, when compared with the third quarter of 2024. Medicaid premium revenue increased \$1.6 billion, or 7%, in the nine months ended September 30, 2025, when compared with the nine months ended September 30, 2024. The increase in the third quarter was mainly due to premium rate increases, which were partially offset by the impact of lower membership due to redeterminations that continued into the second half of 2024, a general market contraction in 2025, and expiration of the Virginia contract. Also contributing to the premium revenue increase for the nine month period is revenue from contract wins in New Mexico (July 2024) and Texas ABD (September 2024), and a lower impact of minimum MLRs and medical cost corridors, when compared to the prior year.

The medical margin in our Medicaid program decreased \$91 million, or 12%, in the third quarter of 2025 when compared with the third quarter of 2024, and decreased \$61 million, or 3%, in the nine months ended September 30, 2025 when compared with the nine months ended September 30, 2024. The changes for both periods were driven by an increase in the MCR, as described below, partially offset by the increased premium revenues discussed above.

The Medicaid MCR increased 150 basis points to 92.0% in the third quarter of 2025, from 90.5% in the third quarter of 2024, and increased 90 basis points to 91.2% in the nine months ended September 30, 2025, from 90.3% in the nine months ended September 30, 2024. The increase in both periods was driven by higher than expected medical costs from acuity shifts, changes in product mix and an increase in utilization among our continuing population from the second half of 2024 that has continued into 2025. The increased utilization includes behavioral health services, high-cost drugs, long-term services and supports (LTSS) and broader utilization pressure in inpatient and outpatient settings, partially offset by premium rate increases. The Medicaid MCR for the third quarter and nine months ended 2025 is higher than we expected and is above our long-term target range.

Medicare

Medicare premium revenue increased \$243 million, or 18%, in the third quarter of 2025 compared to the third quarter of 2024, and increased \$436 million, or 10%, in the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024. The increase primarily reflects membership growth associated with the ConnectiCare acquisition, partially offset by the impact of our exit from MAPD in thirteen states in 2025.

The medical margin for Medicare decreased \$39 million in the third quarter of 2025, and decreased \$86 million in the nine months ended September 30, 2025, when compared to the same periods in 2024. The decrease in both periods was mainly due to the increase in MCR discussed below, partially offset by the year-over-year increase in premium revenues discussed above.

The Medicare MCR increased to 93.6% in the third quarter of 2025, or 400 basis points, compared to the third quarter of 2024, and increased to 90.7% in the nine months ended September 30, 2025, or 300 basis points, compared to the nine months ended September 30, 2024. The increase in both periods resulted mainly from higher-than-expected utilization among our high-acuity duals populations, particularly for LTSS benefits and high-cost pharmacy drugs, partially offset by pricing and benefit adjustments implemented for 2025 and the exit from MAPD in thirteen states. The Medicare MCR for the third quarter and nine months ended 2025 is above our long-term target range.

Marketplace

Marketplace premium revenue increased \$538 million in the third quarter of 2025 compared to the third quarter of 2024, and increased \$1.5 billion in the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024, due to an expected increase in membership in line with our product and pricing strategy to achieve growth, membership growth associated with the ConnectiCare acquisition, and the impact of membership gained from redeterminations in 2024. Our Marketplace membership as of September 30, 2025, amounted to 713,000 members, representing an increase of 303,000 members compared to September 30, 2024.

The Marketplace medical margin decreased \$126 million in the third quarter of 2025 when compared with the third quarter of 2024, and decreased \$98 million in the nine months ended September 30, 2025 when compared with the nine months ended September 30, 2024. The changes in each period were impacted by the growth in premiums and margin associated with the higher membership, and the impact of MCR changes discussed below.

The Marketplace MCR increased to 95.6% in the third quarter of 2025, or 2,260 basis points, compared to 73.0% in the third quarter of 2024, and increased to 87.9% in the nine months ended September 30, 2025, or 1,530 basis points, compared to 72.6% in the nine months ended September 30, 2024. The increase in MCR for both periods was higher than expected, reflecting higher utilization relative to the risk adjustment revenue that we priced for among our continuing population and Special Enrollment Period members. The higher trend across the total Marketplace population mitigates the risk adjustment hedge we would have expected to realize. The increase in MCR also reflects the impact from higher initial MCRs related to the ConnectiCare acquisition and the impact of membership losses due to prior year member reconciliations and various program integrity initiatives. The program integrity initiatives caused a disconnect between premium and medical costs because members were disenrolled, but we were still required to cover the medical cost.

Other

The Other segment includes service revenues and costs associated with long-term services and supports consultative services we provide in Wisconsin, the commercial portion of the business acquired in connection with the ConnectiCare transaction that closed effective February 1, 2025, and certain corporate amounts not allocated to the Medicaid, Medicare, or Marketplace segments. Such amounts were immaterial to our consolidated results of operations for the three and nine months ended September 30, 2025 and 2024.

LIQUIDITY, FINANCIAL CONDITION AND CAPITAL RESOURCES

LIQUIDITY

We manage our cash, investments, and capital structure to meet the short- and long-term obligations of our business while maintaining liquidity and financial flexibility. We forecast, analyze, and monitor our cash flows to enable prudent investment management and financing within the confines of our financial strategy.

We maintain liquidity at two levels: 1) the regulated health plan subsidiaries; and 2) the parent company.

Our regulated health plan subsidiaries' primary liquidity requirements include payment of medical claims and other health care services; payment of certain settlements with our state and federal customers, such as minimum medical loss ratio and risk corridors and Marketplace risk transfers on behalf of CMS; general and administrative costs directly incurred or paid through an administrative services agreement to the parent company; and federal tax payments to the parent company under an intercompany tax sharing agreement. Our regulated health plan subsidiaries meet their liquidity needs by generating cash flows from operating activities, primarily from premium revenue; cash flows from investing activities, including investment income and sales of investments; and capital contributions received from our parent company.

Our regulated health plan subsidiaries are each subject to applicable state regulations that, among other things, require the maintenance of minimum levels of capital and surplus. We continue to maintain levels of aggregate excess statutory capital and surplus in our regulated health plan subsidiaries that we believe are appropriate. See further discussion under "Regulatory Capital and Dividend Restrictions" below. When available and as permitted by applicable regulations, cash in excess of the capital needs of our regulated health plan subsidiaries is generally paid in the form of dividends to our parent company to be used for general corporate purposes. In the three and nine months ended September 30, 2025, the parent company received \$278 million and \$648 million, respectively, in dividends and return of capital from the regulated health plan subsidiaries. See further discussion of dividends below in "Future Sources and Uses of Liquidity—Future Sources."

Parent company liquidity requirements generally consist of payment of administrative costs not directly incurred by our regulated operations, including, but not limited to, staffing costs, lease payments, branding and certain information technology services; capital contributions paid to our regulated health plan subsidiaries, including funding for newer health plans; capital expenditures; debt service; funding for common stock purchases, acquisitions and other growth-related activities; and federal tax payments. In the three and nine months ended September 30, 2025, the parent company contributed capital in the aggregate amount of \$55 million and \$184 million, respectively, to our regulated health plan subsidiaries to satisfy statutory capital and surplus requirements mainly to fund our Connecticut health plans acquired in the ConnectiCare acquisition and, to a lesser extent, our New Mexico health plan. Our parent company normally meets its liquidity requirements from administrative services fees earned under administrative services agreements; dividends received from our regulated subsidiaries; federal tax payments collected from the regulated subsidiaries; proceeds received from the issuance of debt and equity securities; and cash flows from investing activities, including investment income and sales of investments.

Cash, cash equivalents and investments at the parent company amounted to approximately \$108 million and \$445 million as of September 30, 2025, and December 31, 2024, respectively. The decrease for the nine months ended September 30, 2025 was primarily due to the purchase of approximately 2.8 million shares of our stock for \$500 million in the third quarter of 2025, approximately 1.7 million shares of our stock for \$500 million in the first quarter of 2025, funding the ConnectiCare transaction for \$350 million, and capital contributions to regulated health plan subsidiaries, partially offset by \$740 million from net borrowing activity under the Credit Facility and Term Loans, dividends received from regulated health plan subsidiaries and the timing of corporate payments.

Investments

After considering expected cash flows from operating activities, we generally invest cash of regulated subsidiaries that exceeds our expected short-term obligations in longer term, investment-grade, and marketable debt securities to improve our overall investment return. These investments are made pursuant to board-approved investment policies which conform to applicable state laws and regulations.

Our investment policies are designed to provide liquidity, preserve capital, and maximize total return on invested assets, all in a manner consistent with state requirements that prescribe the types of instruments in which our subsidiaries may invest. These investment policies require that our investments have final maturities of less than 15 years, or less than 15 years average life for structured securities. Professional portfolio managers operating under documented guidelines manage our investments and a portion of our cash equivalents. Our portfolio managers

must obtain our prior approval before selling investments where the loss position of those investments exceeds certain levels.

The overall rating of our portfolio is AA-. Our investment policy has directives in conjunction with state guidelines to minimize risks and exposures in volatile markets. Additionally, our portfolio managers assist us in navigating the current volatility in the capital markets.

Our restricted investments are invested principally in cash, cash equivalents, U.S. Treasury securities, and corporate debt securities; we have the ability to hold such restricted investments until maturity. All of our unrestricted investments are classified as current assets.

Cash Flow Activities

Our cash flows are summarized as follows:

	Nine Months Ended September 30,		
	2025	2024	Change
	(In millions)		
Net cash (used in) provided by operating activities	\$ (237)	\$ 868	\$ (1,105)
Net cash provided by (used in) investing activities	82	(483)	565
Net cash used in financing activities	(262)	(414)	152
Net decrease in cash, cash equivalents, and restricted cash and cash equivalents	<u>\$ (417)</u>	<u>\$ (29)</u>	<u>\$ (388)</u>

Operating Activities

We typically receive capitation payments monthly, in advance of payments for medical claims; however, government payors may adjust their payment schedules, positively or negatively impacting our reported cash flows from operating activities in any given period. For example, government payors may delay our premium payments, or they may prepay the following month's premium payment.

Net cash used in operations for the nine months ended September 30, 2025 was \$237 million, compared with \$868 million provided in the nine months ended September 30, 2024. The change in cash flow mainly results from timing differences in settlement of government agency receivables and payables, including settlements for Medicaid minimum MLR and medical cost corridors and Marketplace risk adjustment payables, tax payments and a lower net income in the nine months ended September 30, 2025.

Investing Activities

Net cash provided by investing activities was \$82 million in the nine months ended September 30, 2025, compared with \$483 million used in the nine months ended September 30, 2024, an increase in cash flow of \$565 million. This change in cash flow reflects the net impact of proceeds and purchases of investments, which amounted to net proceeds of \$410 million in the nine months ended September 30, 2025 and net purchases of \$118 million in the nine months ended September 30, 2024. Net cash used in business combinations amounted to \$245 million in the nine months ended September 30, 2025, related to the ConnectiCare acquisition, compared to \$295 million in net cash used related to the Bright acquisition and \$49 million for final purchase consideration for MyChoice Wisconsin in the nine months ended September 30, 2024.

Financing Activities

Net cash used in financing activities was \$262 million in the nine months ended September 30, 2025, compared with \$414 million used in the nine months ended September 30, 2024, an increase in cash flow of \$152 million. In the nine months ended September 30, 2025, financing activity included common stock purchases of \$1.0 billion and \$360 million in repayment under the Credit Facility and Term Loans, partially offset by \$1.1 billion in combined borrowings under the Credit Facility and Term Loans. In the nine months ended September 30, 2024, financing activity included common stock purchases of \$500 million and \$150 million in repayment under the Credit Facility, partially offset by \$300 million in borrowings under the Credit Facility. In addition, in the nine months ended September 30, 2025 and 2024, financing cash outflows included \$37 million and \$57 million, respectively, for common stock withheld to settle employee tax obligations.

FINANCIAL CONDITION

We believe that our cash resources, borrowing capacity available under our Amended Credit Agreement as discussed further below in "Future Sources and Uses of Liquidity—Future Sources," and internally generated funds

will be sufficient to support our operations, regulatory requirements, debt repayment obligations and capital expenditures for at least the next 12 months.

Our working capital on a consolidated basis was \$5.1 billion at September 30, 2025, compared with \$4.9 billion at December 31, 2024. At September 30, 2025, our cash and investments amounted to \$8.7 billion, compared with \$9.3 billion at December 31, 2024. A significant portion of our portfolio is held in cash and cash equivalents, and we do not anticipate the fluctuations in the aggregate fair value of our financial assets to have a material impact on our liquidity or capital position since we intend to hold our securities to maturity. Net unrealized gains on our investments classified as current and available for sale increased to \$12 million at September 30, 2025 compared to net unrealized losses of \$75 million at December 31, 2024. We have determined that the unrealized losses primarily resulted from fluctuating interest rates, rather than a deterioration of the creditworthiness of the issuers.

Because of the statutory restrictions that inhibit the ability of our health plan subsidiaries to transfer net assets to us, the amount of retained earnings readily available to pay dividends to our stockholders is generally limited to cash, cash equivalents and investments held by our unregulated parent. For more information, see the "Liquidity" discussion presented above.

Regulatory Capital and Dividend Restrictions

Each of our regulated, wholly owned subsidiaries must maintain a minimum amount of statutory capital determined by statute or regulations. Such statutes, regulations and capital requirements also restrict the timing, payment and amount of dividends and other distributions, loans or advances that may be paid to us as the sole stockholder. To the extent our subsidiaries must comply with these regulations, they may not have the financial flexibility to transfer funds to us. Based upon current statutes and regulations, the minimum capital and surplus requirement for these subsidiaries was estimated to be approximately \$3.0 billion at September 30, 2025 and \$2.6 billion at December 31, 2024. The aggregate capital and surplus of our wholly owned subsidiaries was in excess of these minimum capital requirements as of both dates.

Under applicable regulatory requirements, the amount of dividends that may be paid by our wholly owned subsidiaries without prior approval by regulatory authorities as of September 30, 2025, was approximately \$510 million in the aggregate. The subsidiaries may pay dividends over this amount, but only after approval is granted by the regulatory authorities.

Based on our cash and investments balances as of September 30, 2025, management believes that our regulated, wholly owned subsidiaries remain well capitalized and exceed their regulatory minimum requirements. We have the ability, and have committed, to provide additional capital to each of our health plans as necessary to ensure compliance with minimum statutory capital requirements.

Debt Ratings

Each of our senior notes is rated "BB" by Standard & Poor's, and "Ba2" by Moody's Investor Service, Inc. A downgrade in our ratings could adversely affect our borrowing capacity and increase our borrowing costs.

Financial Covenants

Our Amended Credit Agreement contains customary non-financial and financial covenants, including a net leverage ratio and an interest coverage ratio. Such ratios are computed as defined by the terms of the Amended Credit Agreement.

In addition, the indentures governing each of our outstanding senior notes contain cross-default provisions that are triggered upon default by us or any of our subsidiaries on any indebtedness in excess of the amount specified in the applicable indenture. As of September 30, 2025, we were in compliance with all financial and non-financial covenants under the Amended Credit Agreement and other long-term debt.

FUTURE SOURCES AND USES OF LIQUIDITY

Future Sources

Our regulated subsidiaries generate significant cash flows from premium revenue, which is generally received a short time before related healthcare services are paid. Premium revenue is our primary source of liquidity. Thus, any decline in the receipt of premium revenue, and our profitability, could have a negative impact on our liquidity.

Dividends from Subsidiaries. When available and as permitted by applicable regulations, cash in excess of the capital needs of our regulated health plans is generally paid in the form of dividends to our unregulated parent company to be used for general corporate purposes.

Credit Agreement Borrowing Capacity. We are party to a credit agreement (the "Amended Credit Agreement"), which provides for a revolving credit facility ("Credit Facility") of \$1.25 billion, with a lending commitment termination date of September 20, 2029, a delayed draw commitment in an aggregate principal amount of \$500 million, with a maturity date of February 19, 2027 ("Term Loan A-1"), and a delayed draw commitment in an aggregate principal amount of \$500 million, with a maturity date of August 12, 2027 ("Term Loan A-2" and together with the Term Loan A-1, the "Term Loans"). The Amended Credit Agreement also provides for a \$15 million swingline sub-facility and a \$100 million letter of credit sub-facility, as well as incremental term loans available to finance certain acquisitions up to \$800 million, plus an unlimited amount of such term loans as long as we maintain a minimum consolidated net leverage ratio. As of September 30, 2025, we had available borrowing capacity of \$1.25 billion under the Credit Facility, \$50 million available capacity under the Term Loan A-2 and no available capacity under the Term Loan A-1. See further discussion in the Notes to Consolidated Financial Statements, Note 8, "Debt."

Future Uses

Common Stock Purchases. In April 2025, our board of directors newly authorized the purchase of up to an additional \$1 billion of our common stock. This new program extends through December 31, 2026. In consultation with the Finance Committee of the Board, the exact timing and amount of any share repurchases shall be determined by management based on market conditions and share price, in addition to other factors, and repurchases generally will be made in accordance with the volume, price, and timing parameters under Rule 10b-18 of the Securities Exchange Act of 1934, as amended. As of October 17, 2025, \$500 million remained available to purchase our common stock under this program through December 31, 2026.

Acquisitions. We have a disciplined and steady approach to growth. Organic growth, which includes leveraging our existing health plan portfolio and winning new territories, is our highest priority. In addition to organic growth, we will consider targeted acquisitions that are a strategic fit that we believe will leverage operational synergies, and lead to incremental earnings accretion.

Regulatory Capital Requirements and Dividend Restrictions. We have the ability, and have committed, to provide additional capital to each of our health plans as necessary to ensure compliance with minimum statutory capital requirements.

CONTRACTUAL OBLIGATIONS

A summary of future obligations under our various contractual obligations and commitments as of December 31, 2024 was disclosed in our 2024 Annual Report on Form 10-K.

There were no significant changes to our contractual obligations and commitments not otherwise disclosed or outside the ordinary course of business during the nine months ended September 30, 2025.

CRITICAL ACCOUNTING ESTIMATES

When we prepare our consolidated financial statements, we use estimates based on assumptions that may affect reported amounts and disclosures; actual results could differ from these estimates. Our critical accounting estimates relate to:

- **Medical costs, claims and benefits payable.** Refer to Notes to Consolidated Financial Statements, Note 7, "Medical Claims and Benefits Payable," for a table that presents the components of the change in medical claims and benefits payable, and for additional information regarding the factors used to determine our changes in estimates for all periods presented in the accompanying consolidated financial statements. Other than the discussion as noted above, in the nine months ended September 30, 2025 there were no significant changes to our disclosure reported in "Critical Accounting Estimates" in our 2024 Annual Report on Form 10-K.
- **Premium Revenue Recognition and Amounts Due Government Agencies: Risk Adjustment.** For a discussion of this topic, including amounts recorded in our consolidated financial statements, refer to Notes to Consolidated Financial Statements, Note 2, "Significant Accounting Policies."
- **Business Combinations, and Goodwill and intangible assets, net.** For a discussion of this topic, including amounts recorded in our consolidated financial statements, refer to Notes to Consolidated Financial Statements, Note 4, "Business Combinations." Other than the discussion as noted above, in the nine

months ended September 30, 2025, there were no significant changes to our disclosure reported in “Critical Accounting Estimates” in our 2024 Annual Report on Form 10-K.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our earnings and financial position are exposed to financial market risk relating to changes in interest rates, and the resulting impact on investment income and interest expense.

Substantially all of our investments and restricted investments are subject to interest rate risk and will decrease in value if market interest rates increase. Assuming a hypothetical and immediate 1% increase in market interest rates at September 30, 2025, the fair value of our fixed income investments would decrease by approximately \$118 million. Declines in interest rates over time will reduce our investment income.

For further information on fair value measurements and our investment portfolio, please refer to Notes to Consolidated Financial Statements, Note 5, “Fair Value Measurements,” and Note 6, “Investments.”

Borrowings under the Amended Credit Agreement bear interest based, at our election, on a base rate or other defined rate, plus in each case, the applicable margin. Our notes bear interest at specified rates, each payable semiannually in arrears. For further information, see Notes to Consolidated Financial Statements, Note 8, “Debt.”

CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures. Our management, with the participation of our chief executive officer and our chief financial officer, evaluated, as of the end of the period covered by this Quarterly Report on Form 10-Q, the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act). Based on that evaluation, our chief executive officer and chief financial officer concluded that, as of September 30, 2025, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control Over Financial Reporting. There were no changes in our internal control over financial reporting during the quarter ended September 30, 2025, that materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting.

LEGAL PROCEEDINGS

For information regarding legal proceedings, see Notes to Consolidated Financial Statements, Note 11, “Commitments and Contingencies.”

RISK FACTORS

Certain risks may have a material adverse effect on our business, financial condition, cash flows, results of operations, or stock price, and you should carefully consider them before making an investment decision with respect to our securities. In addition to the other information set forth in this report, you should carefully consider the risk factors discussed under the caption “Risk Factors,” in our 2024 Annual Report on Form 10-K.

UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

ISSUER PURCHASES OF EQUITY SECURITIES

Purchases of common stock made by us, or on our behalf, during the third quarter of 2025, including shares withheld by us to satisfy our employees' income tax obligations, are set forth below:

	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs ⁽²⁾
July 1 - July 31	2,000	\$ 306.29	—	\$ 1,000,000,000
August 1 - August 31	2,570,000	\$ 174.71	2,570,000	\$ 551,000,000
September 1 - September 30	279,000	\$ 182.75	279,000	\$ 500,000,000
Total	2,851,000	\$ 175.60	2,849,000	

(1) During the third quarter of 2025, there were approximately 2,849,000 shares repurchased as part of our publicly announced share repurchase program and we withheld approximately 2,000 shares of common stock to settle employee income tax obligations for releases of awards granted under the Molina Healthcare, Inc. 2019 Equity Incentive Plan. For further information refer to Notes to Consolidated Financial Statements, Note 9, "Stockholders' Equity."

(2) For further information on our stock repurchase programs, refer to Notes to Consolidated Financial Statements, Note 9, "Stockholders' Equity."

OTHER INFORMATION

- (a) None.
- (b) None.
- (c) No director or officer (as defined in 17 CFR § 240.16a-1(f)) of the Company adopted or terminated (i) any contract, instruction or written plan for the purchase or sale of securities of the Company intended to satisfy the affirmative defense conditions of Rule 10b5-1(c), or (ii) any "non-Rule 10b5-1 trading arrangement" (as defined in 17 CFR § 229.408(c)) during the three months ended September 30, 2025.

INDEX TO EXHIBITS

Exhibit No.	Title	Method of Filing
10.1	2025 Equity Incentive Plan Restricted Stock Award Agreement Form	Filed herewith.
10.2	2025 Equity Incentive Plan Performance Stock Unit Award Agreement Form	Filed herewith.
10.3	Fourth Amendment to Credit Agreement, dated as of August 12, 2025, by and among the Company, the Lenders party thereto and Truist Bank, as Administrative Agent, Issuing Bank and Swingline Lender.	Filed as Exhibit 10.1 to registrant's Form 8-K filed August 12, 2025
31.1	Section 302 Certification of Chief Executive Officer	Filed herewith.
31.2	Section 302 Certification of Chief Financial Officer	Filed herewith.
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Furnished herewith.
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.	Furnished herewith.
101.INS	Inline XBRL Taxonomy Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the inline XBRL document.	Filed herewith.
101.SCH	Inline XBRL Taxonomy Extension Schema Document.	Filed herewith.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.	Filed herewith.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.	Filed herewith.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.	Filed herewith.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.	Filed herewith.
104	Cover Page Interactive Data file (formatted as Inline XBRL and embedded within Exhibit 101)	Filed herewith.

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 thereunto duly authorized.

MOLINA HEALTHCARE, INC.
(Registrant)

/s/ JOSEPH M. ZUBRETSKY

Joseph M. Zubretsky
Chief Executive Officer
(Principal Executive Officer)

Dated: October 23, 2025

/s/ MARK L. KEIM

Mark L. Keim
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Dated: October 23, 2025

**Molina Healthcare, Inc. 2025 Equity Incentive Plan
Restricted Stock Award Agreement**

Grantee: _____

Grant Date: _____

Total Number of Shares Granted (the "Shares"): _____

This RESTRICTED STOCK AWARD AGREEMENT (this "Agreement") effective as of the Grant Date is between Molina Healthcare, Inc., a Delaware corporation (the "Company"), and Grantee, an employee of the Company or one of its Affiliates, pursuant to and subject to the terms of the Molina Healthcare, Inc. 2025 Equity Incentive Plan (the "Plan") and this Agreement. The Company desires to award to the Grantee a number of shares of the Company's common stock, par value \$.001 per share (the "Common Stock"), subject to certain restrictions as provided in this Agreement, in order to carry out the purpose of the Plan. The purpose of this Agreement is to evidence the terms of an award of restricted stock granted to the Grantee under the Plan and the terms of the Agreement herein. Participation in the Plan is entirely voluntary and not a condition of employment. Whether the Grantee chooses to participate in the Plan or not is entirely within Grantee's discretion. The Grantee acknowledges receipt of a copy of the Plan and the Prospectus for the Plan and through Grantee's signature below also agrees to be bound by these documents and the terms set forth in this Agreement.

Accordingly, for good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Company and the Grantee hereby agree as follows:

1. Award of Restricted Stock.

Effective as of the Grant Date, the Company grants to the Grantee a restricted stock award of the number of Shares first set forth above, subject to the terms and conditions set forth in this Agreement and in accordance with the terms of the Plan (the "Restricted Stock Award").

2. Rights with Respect to the Shares.

2.1 Stockholder Rights. With respect to the Shares, the Grantee shall be entitled at all times on and after the date of issuance of the Shares to exercise the rights of a stockholder of Common Stock of the Company, including the right to vote the Shares and the right to receive dividends on the Shares as provided in Section 2.2 hereof, unless and until the Shares are forfeited pursuant to Section 3 hereof. However, the Shares shall be nontransferable and subject to a risk of forfeiture to the Company at all times prior to the dates on which such Shares become vested, and the restrictions with respect to the Shares lapse, in accordance with Sections 3 and 7 of this Agreement.

2.2 Dividends. As a condition to receiving the Shares under the Plan, the Grantee hereby agrees to defer the receipt of all cash dividends paid on the Shares. Cash dividends or other cash distributions paid with respect to the Shares prior to the date or dates the Shares vest shall be subject to the same restrictions and terms as the Shares to which they relate, shall be promptly deposited with the Secretary of the Company or a custodian designated by the Secretary until the Shares with respect to which the dividends were paid vest, and shall be forfeited in the event that the Shares with respect to which the dividends were paid are forfeited.

2.3 Issuance of Shares. The Company shall cause the Shares to be issued in the Grantee's name or in a nominee name on the Grantee's behalf, either by book-entry registration or issuance of a stock certificate or certificates evidencing the Shares, which certificate or certificates shall be held by the

Secretary of the Company or the stock transfer agent or brokerage service selected by the Secretary of the Company to provide such services for the Plan. The Shares shall be restricted from transfer and shall be subject to an appropriate stop-transfer order. If any certificate is issued, the certificate shall bear an appropriate legend referring to the restrictions applicable to the Shares. The Grantee hereby agrees to the retention by the Company of the Shares and, if a stock certificate is issued, the Grantee agrees to execute and deliver to the Company a blank stock power with respect to the Shares as a condition to the receipt of this Restricted Stock Award. After any Shares vest pursuant to Section 3 hereof, and following payment of the applicable withholding taxes pursuant to Section 6 of this Agreement, the Company shall promptly cause to be issued a certificate or certificates, registered in the Grantee's name, evidencing such vested whole Shares (less any Shares withheld to pay withholding taxes) and shall cause such certificate or certificates to be delivered to the Grantee free of the legend and the stop-transfer order referenced above. The Company will not deliver any fractional Share but will pay, in lieu thereof, the Fair Market Value of such fractional Share at the time certificates evidencing the Shares are delivered to the Grantee.

3. Vesting; Forfeiture.

3.1 Vesting. Subject to the terms of this Agreement, _____ (___) of the Shares shall vest, and the restrictions with respect to the Shares shall lapse, on each of the _____ anniversaries of the Grant Date if the Grantee remains continuously employed by the Company or an Affiliate of the Company until such respective vesting dates and if the Grantee continues to comply with the terms in the Plan and this Agreement, including the Grantee's covenants in Section 7 below.

3.2 Forfeiture. (1) If the Grantee ceases to be employed by the Company and all Affiliates of the Company for any reason prior to the vesting of the Shares, or violates any of the covenants in Section 7, Grantee's rights to all of the unvested Shares shall be immediately and irrevocably forfeited, including the right to vote such Shares and the right to receive dividends on such Shares; and (2) if, at any time, the Company in its sole discretion determines that any action or omission by Grantee constituted (a) wrongdoing that contributed to (i) any material misstatement in or omission from any report or statement filed by the Company with the U.S. Securities and Exchange Commission or (ii) a statement, certification, cost report, claim for payment, or other filing made under Medicare or Medicaid that was false, fraudulent, or for an item or service not provided as claimed, (b) intentional or gross misconduct, (c) a breach of a fiduciary duty to the Company (or a Subsidiary), (d) fraud or (e) non-compliance with the Company's Code of Business Conduct and Ethics, policies or procedures to the material detriment of the Company, then in each such case, commencing with the first fiscal year of the Company during which such action or omission occurred, Grantee shall forfeit (without any payment therefore) up to 100% of any Shares that have not been vested or settled and shall repay to the Company, upon notice to Grantee by the Company, up to 100% of the Fair Market Value of the Shares at the time such shares were delivered to the Grantee. The Company shall determine in its sole discretion the date of occurrence of such action or omission, the percentage of the Shares that shall be forfeited and the percentage of the Fair Market Value of the Shares that must be repaid to the Company. In addition, the Shares shall be subject to any clawback or recoupment policy in effect on the Award Date or as may be adopted or maintained by the Company following the Award Date.

3.3 No Early Vesting. Except as provided in Section 10.7 of the Plan or unless otherwise determined by the Committee in its sole discretion or otherwise provided in an agreement with, or plan of the Company applicable to the Grantee, in no event will any of the Shares vest prior to their respective vesting dates set forth in Section 3.1 hereof.

4. Restrictions on Transfer.

Until the Shares vest pursuant to Section 3 hereof, neither the Shares, nor any right with respect to the Shares under this Agreement, may be sold, assigned, transferred, pledged, or otherwise disposed of, alienated, or encumbered, either voluntarily or involuntarily, and shall not be subject to execution, attachment or similar process. Any attempted sale, assignment, transfer, pledge, hypothecation or other

conveyance or encumbrance shall be void and unenforceable against the Company or any Affiliate of the Company.

5. Distributions and Adjustments.

5.1 If any Shares vest subsequent to any change in the number or character of the Common Stock of the Company through any stock dividend or other distribution, recapitalization, stock split, reverse stock split, reorganization, merger, consolidation, split-up, spin-off, combination, repurchase or exchange of shares or other securities of the Company, issuance of warrants or other rights to purchase shares of Common Stock or other securities of the Company or other similar corporate transaction or event such that an adjustment is determined by the Committee to be appropriate in order to prevent dilution or enlargement of the benefits or potential benefits intended to be made available under this Agreement, then the Committee shall, in such manner as it may deem equitable, in its sole discretion, adjust any or all of the number and type of such Shares in accordance with Section 4.2 of the Plan.

5.2 Any additional shares of Common Stock of the Company, any other securities of the Company and any other property distributed with respect to the Shares prior to the date or dates the Shares vest shall be subject to the same restrictions, terms as the Shares to which they relate and shall be promptly deposited with the Secretary of the Company or a custodian designated by the Secretary.

6. Taxes.

6.1 The Grantee acknowledges that the Grantee will consult with the Grantee's personal tax adviser regarding the income tax consequences of the grant of the Shares, payment of dividends on the Shares, the vesting of the Shares and any other matters related to this Agreement. In order to comply with all applicable federal, state, local or foreign income tax laws or regulations, the Company may take such action as it deems appropriate to ensure that all applicable federal, state, local or foreign payroll, withholding, income or other taxes, which are the Grantee's sole and absolute responsibility, are withheld or collected from the Grantee. The Grantee acknowledges that the Grantee is ultimately liable and responsible for all taxes owed in connection with the Shares, regardless of any action the Company takes with respect to any tax withholding obligations that arise in connection with the Shares. The Company does not make any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or lapse of restriction on the Shares. The Company does not commit and are under no obligation to structure the Shares to reduce or eliminate the Grantee's tax liability.

6.2 In accordance with the terms of the Plan, and such rules as may be adopted by the Committee administering the Plan, the Grantee may elect to satisfy tax withholding obligations arising from the receipt of, or the lapse of restrictions relating to, the Shares by (i) delivering cash, check, bank draft, money order or wire transfer payable to the order of the Company, (ii) having the Company withhold a portion of the Shares otherwise to be delivered having a Fair Market Value equal to the amount of such taxes, or (iii) delivering to the Company shares of Common Stock having a Fair Market Value equal to the amount of such taxes. The Company will not deliver any fractional Share but will pay, in lieu thereof, the Fair Market Value of such fractional Share. The Grantee's election must be made on or before the date that the amount of tax to be withheld is determined. If the Grantee does not make an election, the Company will withhold a portion of the Shares otherwise to be delivered having a Fair Market Value equal to the amount of such taxes.

7. Grantee's Covenants.

The Grantee acknowledges that the Restricted Stock Award constitutes consideration, and absent this Agreement, is beyond what the Company is obligated to pay. Grantee's decision to participate in the Plan is voluntary and subject to Grantee's sole discretion. In consideration of the opportunity for the Restricted Stock Award specified above, and other good and valuable consideration, the Grantee agrees to

the following, subject to any applicable provisions of Appendix A, which shall continue to apply in the event the Grantee's employment is terminated by either party for any reason or no reason, with or without Cause. Grantee also acknowledges that Grantee has been advised to consult with an attorney of Grantee's choosing prior to signing this Agreement.

7.1 Non-Solicitation.

7.1.1 Non-Solicitation (Employees). The Grantee acknowledges and agrees that during the period of the Grantee's employment by the Company (or any Subsidiary), and for a period of one (1) year after the termination of the Grantee's employment with the Company (and its Subsidiaries), the Grantee shall not, other than on behalf of the Company (or any of its Subsidiaries): (i) directly or indirectly, either alone or in concert with others, solicit, entice, or encourage the hiring of any employee or contractor of the Company (or any Subsidiary), in each case, who developed or possessed trade secrets or other proprietary information (including, without limitation, Confidential Information); or (ii) help another person or entity evaluate any such employee or contractor of the Company (or any Subsidiary) as a candidate. These restrictions do not apply if the person or contractor of the Company (or any Subsidiary) was involuntarily terminated or laid off by the Company (or any Subsidiary). Notwithstanding the foregoing, non-targeted, general, solicitations to the public shall be deemed not to breach this Section 7.1.1.

7.1.2 Non-Solicitation (Customers). During the Grantee's employment with the Company (or any Subsidiary), and for a period of one (1) year after the termination of the Grantee's employment with the Company (and its Subsidiaries), the Grantee shall not, directly or indirectly, other than on behalf of the Company (or any of its Subsidiaries): (i) contact or solicit, or direct any person, firm, corporation, association or other entity to contact or solicit, any of the Company's Customers (defined below) with whom or which the Grantee had initial contact in connection with the Grantee's employment with the Company (or any Subsidiary) for the purpose of providing any products and/or services that are the same as or similar to the products and services provided by the Company to its Customers in the then-immediately preceding two (2) years ending no later than the last day of the Grantee's employment with the Company (and its Subsidiaries); or (ii) divert or attempt to divert, for his direct or indirect benefit, or for the benefit of any other person, firm, corporation, association or other entity, the business of any Customer of the Company; or (iii) influence or attempt to influence any Customer of the Company to transfer its business to the Grantee or any person, firm, corporation, association or other entity; or (iv) in any other manner knowingly interfere with, disrupt or attempt to disrupt the relationship of the Company with any of its Customers. In addition, the Grantee will not disclose the identity of any such Customers to any person, firm, corporation, association, or other entity for any reason or purpose whatsoever. "Customer" means any healthcare providers, suppliers, manufacturers, agencies, brokers, hospitals, hospital systems, long-term care facilities, insurance client/customers, pharmaceutical manufacturers, or other business enterprises or their representatives or agents, in each case, with whom the Company has a business relationship, including a prospective relationship, and with whom or which the Grantee had business-related contact or dealings in the then-immediately preceding two (2) years ending no later than the last day of the Grantee's employment with the Company (and its Subsidiaries), or about whom or which the Grantee received Confidential Information. This non-solicitation provision with respect to Company's Customers shall replace any non-solicitation provision with respect to the Company's Customers set forth in any prior agreements. Notwithstanding the foregoing, non-targeted, general, solicitations to the public shall be deemed not to breach this Section 7.1.2.

7.2 Noncompetition.

During the Noncompete Period, as defined in Appendix B, the Grantee shall not, other than on behalf of the Company (or any of its Subsidiaries), recognizing the national scope of the Company's business, directly or through others, engage in Competition within, or directed to any person or entity located within, the United States or any other geographic region in which the Company operates or has taken initial steps to so operate in the then-immediately preceding two (2) years ending no later than the

last day of the Grantee's employment with the Company (and its Subsidiaries). For Purposes of this Agreement, "Competition" means (i) participating as an officer, director, employee in a management or executive-level role, consultant, investor, or shareholder, or (ii) providing consulting, advisory, business, investment, strategic, sales, financial, operational, technical, underwriting, pricing, actuarial/reserving or design advice or services (in each case, to the extent that the Grantee provided such advice or services to the Company or any of its Subsidiaries or Affiliates at any time during the then-immediately preceding two (2) years ending no later than the last day of the Grantee's employment with the Company (and its Subsidiaries) to any person or entity engaged in nor actively preparing to become engaged in providing managed healthcare through Medicaid and Medicare and through state or federal insurance Marketplace ("Competing Services"); provided, however, that "Competition" shall not include: the performance of services for any enterprise to the extent such services are restricted solely to one or more distinct portions of the operations and businesses of such entity and such distinct portions are not engaged in the Competing Services, and the Grantee does not have any discussions with, or participate in, the governance, strategy, development, management or operations of such business segments that engage in the Competing Services. This non-competition provision shall replace any non-competition provisions set forth in any prior equity agreements, including without any limitation any prior restricted stock award agreements.

Upon request of a representative of the Company during the Non-Competition Period, the Grantee must identify the entity to which the Grantee is providing services, or intends to be employed, and describe the nature of the services with sufficient detail to allow the Company to independently assess whether the Grantee is or will be in violation of this Agreement. The statement shall be delivered to the Company's Chief Human Resources Officer or his or her authorized delegate via email overnight delivery within five (5) calendar days of receipt of the request.

7.3 Nondisparagement.

Subject to Section 7.6, the Grantee agrees that he/she will not disparage the Company or its directors, officers, employees, affiliates, subsidiaries, predecessors, successors or assigns in any written or oral communications to any third party. The Grantee further agrees that he/she will not direct anyone to make any disparaging oral or written remarks to any third parties.

7.4 Confidentiality.

Subject to Section 7.6, the Grantee agrees to keep and maintain in strict confidence all confidential and proprietary information of the Company (or any Subsidiary) during and after the term of employment by the Company, and to never directly or indirectly make known, divulge, reveal, furnish, make available, or use any confidential information or remove, copy, duplicate, or otherwise reproduce any document or tangible item reflecting any confidential information (except in the course of regular authorized duties on behalf of the Company or any Subsidiary). The Grantee's obligations of confidentiality hereunder shall survive termination of employment regardless of any actual or alleged breach by the Company (or any Subsidiary) in connection with such termination, until and unless any such confidential information shall have become, through no fault of the Grantee, generally known to the public or unless the Grantee is required by law to make disclosure (after giving the Company or any Subsidiary notice and an opportunity to contest such requirement, to the extent permitted by applicable law). The Grantee's obligations under this Section are in addition to and not in limitation or preemption of all other obligations of confidentiality which the Grantee has to the Company under general legal or equitable principles. All documents and other property including or reflecting confidential information furnished to the Grantee by the Company or otherwise acquired or developed by the Company shall at all times be the property of the Company (or any Subsidiary). Upon termination of employment, the Grantee shall return to the Company (or any Subsidiary) any such documents or other property (including copies, summaries, or analyses of the foregoing) of the Company (or any Subsidiary) which are in the Grantee's possession, custody, or control.

7.5 Necessity of Restrictions.

The Grantee acknowledges that each of the covenants in Section 7 is reasonable and necessary to preserve the legitimate business interests of the Company, its present and potential business activities, and the economic benefits derived therefrom; that they will not prevent him or her from earning a livelihood in the Grantee's chosen business and are not an undue restraint on the trade of the Grantee, or any of the public interests which may be involved.

7.6 Limitation on Restrictions.

Nothing in this Agreement, or any other agreement the Grantee has with the Company (or any of its Subsidiaries) will prohibit or restrict the Grantee from (i) voluntarily communicating with an attorney retained by the Grantee, (ii) voluntarily communicating with or testifying before any law enforcement, government agency, including the Securities and Exchange Commission ("SEC"), the Equal Employment Opportunity Commission, the New York State Division of Human Rights or any other state or local commission on human rights, or any self-regulatory organization, or otherwise initiating, assisting with, or participating in any manner with an investigation conducted by such government agency, in each case regarding possible violations of law and without advance notice to the Company, (iii) recovering a SEC whistleblower award as provided under Section 21F of the Securities Exchange Act of 1934, (iv) disclosing any confidential information (including, without limitation, Confidential Information) to a court or other administrative or legislative body in response to a subpoena, court order or written request, provided that the Grantee first promptly notifies (to the extent legally permissible) and provides the Company with the opportunity to seek, and join in its efforts at the sole expense of the Company, to challenge the subpoena or obtain a protective order limiting its disclosure, or other appropriate remedy, (v) if the Grantee is not a supervisor, communicating, or otherwise acting together (including through or using third parties and/or mediums such as social media platforms), with co-workers, a labor organization (or representative thereof) or a federal or state administrative agency, in each case, to address wages, benefits or terms and conditions of employment at the Company or any of its Subsidiaries, (vi) filing or disclosing any facts necessary to receive unemployment insurance, Medicaid or other public benefits to which the Grantee is entitled, (vii) disclosing the underlying facts or circumstances relating to claims of discrimination, in violation of laws prohibiting discrimination, against the Company or any of its Subsidiaries, or otherwise discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that the Grantee has reason to believe is unlawful, or (viii) otherwise making truthful statements required by law, regulation or legal process. Further, nothing in this Agreement limits the Grantee's right to receive an award for information provided to a government agency such as the SEC and OSHA. In addition, nothing in this Agreement is intended to interfere with or restrain the immunity provided under 18 U.S.C. § 1833(b) for confidential disclosures of trade secrets to government officials or lawyers, solely for the purpose of reporting or investigating a suspected violation of law, or in a sealed filing in court or other proceeding.

7.7 Return of Consideration.

If, at any time, the Committee in its sole discretion determines that any action or omission by Grantee constituted a breach of the covenants in Section 7, then (i) all unexercised Company stock options under any Designated Plan (defined below) whether or not otherwise vested shall cease to be exercisable and shall immediately terminate; (ii) the Grantee shall forfeit any outstanding restricted stock or other outstanding equity award made under any Designated Plan and not otherwise vested on the date of breach; and (iii) the Grantee shall pay to the Company (A) for each share of common stock of the Company ("Common Share") acquired on exercise of an option under a Designated Plan within the twenty-four (24) months prior to such breach, the excess of the Fair Market value of a Common Share on the date of exercise over the exercise price, and (B) for each share of restricted stock and/or performance stock that became vested under any Designated Plan within the twenty-four (24) months prior to such breach, the Fair Market Value (on the date of vesting) of a Common Share. Any amount to be repaid pursuant to this Section 7.7

shall be held by the Grantee in constructive trust for the benefit of the Company and shall, upon written notice from the Company, within 10 days of such notice, be paid by the Grantee to the Company with per annum interest from the date such Common Share was acquired or the share of restricted stock became vested, as the case may be, to the date of payment, at 120% of the current Short-Term Applicable Federal Rate on the date of the repayment. Any amount described in clauses (i) and (ii) that the Grantee forfeits as a result of a breach of the provisions of Section 7 shall not reduce any money damages that would be payable to the Company as compensation for such breach. The amount to be repaid pursuant to this Section 7.7 shall be determined on a gross basis, without reduction for any taxes incurred, as of the date of the realization event, and without regard to any subsequent change in the Fair Market Value of a Common Share. The Company shall have the right to offset such amount against any amounts otherwise owed to the Grantee by the Company (whether as wages, vacation pay, or pursuant to any benefit plan or other compensatory arrangement other than any amount pursuant to any nonqualified deferred compensation plan under Section 409A of the Internal Revenue Code). For purposes of this Section 7.7, a "Designated Plan" is each stock option, restricted stock, or other equity compensation or long-term incentive compensation plan adopted by the Company.

8. Remedies for Breach.

8.1 Because the Grantee's services are unique and because the Grantee has access to the Company's confidential information, the parties agree that any breach or threatened breach of Section 7 will cause irreparable harm to the Company and that money damages alone would be an inadequate remedy. The parties therefore agree that, in the event of any breach or threatened breach of Section 7, and in addition to all other rights and remedies available to it, under this Agreement, including as listed in Section 7.7 or otherwise, and whether in equity or at law, the Company may apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief, without a bond, in order to enforce or prevent any violations of the provisions of Section 7.

8.2 The Grantee acknowledges and understands that, but for agreeing to be bound to the provisions of Section 7, the Grantee would not be entitled to receive the Restricted Stock Award. The Grantee agrees that any breach of Section 7 would constitute a material breach of this Agreement and subjects the Grantee to the forfeiture and/or return of **all Awards made pursuant to this Agreement**, as well as the forfeiture and/or recoupment of certain of other Awards or their Fair Market Value, as set out in Section 7.7. The Company expressly reserves the right to pursue all other legal and equitable remedies available to it by virtue of any breach of Section 7, including without limitation injunctive relief and monetary damages.

8.3 The Grantee acknowledges and agrees that the remedies provided are cumulative and not exclusive of any and other remedies available under this Agreement or otherwise, and whether in equity or at law, and including monetary damages. In that regard, the Grantee acknowledges and agrees that, while the forfeiture of payments and benefits referenced herein is appropriate in the event of a breach of Section 7, injunctive relief to prevent a continuing breach would still be necessary to give the Company an adequate remedy.

9. Definitions.

Terms not defined in this Agreement shall have the meanings given to them in the Plan.

10. Governing Law; Dispute Resolution.

Subject to any applicable provisions of Appendix A, the internal law, and not the law of conflicts, of the State of New York will govern all questions concerning the validity, construction and effect of this Agreement. Subject to any applicable provisions of Appendix A, the Grantee hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the state and federal

courts located in New York, New York in any action or proceeding arising out of or relating to this Agreement. The Company and the Grantee hereby irrevocably and unconditionally (a) agree not to commence any such action or proceeding except in the aforementioned courts, (b) consent to the service of process out of any of the aforementioned courts in any manner permitted by applicable law, (c) waive, to the fullest extent permitted by applicable law, any objection which such the Grantee may now or hereafter have to the laying of venue of any such action or proceeding in any of the aforementioned courts, and (d) agree, to the fullest extent permitted by applicable law, not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

11. Plan Provisions.

This Agreement is made under and subject to the provisions of the Plan, and all of the provisions of the Plan are also provisions of this Agreement. If there is a difference or conflict between the provisions of this Agreement and the provisions of the Plan, the provisions of the Plan will govern. By accepting this Restricted Stock Award, the Grantee confirms that the Grantee has received a copy of the Plan, represents that the Grantee is familiar with the terms of the Plan, and hereby accepts this Restricted Stock Award subject to all the terms of the Plan.

12. No Rights to Continue Service or Employment.

Nothing herein shall be construed as giving the Grantee the right to continue in the employ or to provide services to the Company or any Affiliate, whether as an employee or as a consultant or otherwise, or interfere with or restrict in any way the right of the Company or any Affiliate to discharge the Grantee, whether as an employee or consultant or otherwise, at any time, with or without cause. In addition, the Company or any Affiliate may discharge the Grantee free from any liability or claim under this Agreement.

13. Entire Agreement; No Conflicting Agreements.

This Agreement and the Plan, together constitute the entire agreement and supersede all prior understandings and agreements, written or oral, of the parties hereto with respect to the subject matter hereof. By accepting this Restricted Stock Award, Grantee acknowledges that a copy of the Plan has been made available by the Company for Grantee's reference and agrees to be bound by the terms set forth in this Agreement and the Plan as in effect or as may be amended from time to time. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect. Notwithstanding the foregoing, if the Grantee is subject to a written employment, change in control, severance or similar agreement or plan with the Company, and the Grantee would be entitled under the express provisions of such agreement or plan to accelerated vesting of the Restricted Stock Award in connection with the termination of the Grantee's employment in the circumstances set forth in that agreement, the provisions of such agreement shall control with respect to such accelerated vesting rights; provided, however, that the immediately preceding sentence will not be construed to affect Section 7, and the corresponding provisions of this Agreement.

14. Modification.

Any amendment to this Agreement must be in writing and signed by the Chief Legal Officer of the Company. The Company may, however, unilaterally waive any provision hereof in writing to the extent such waiver does not adversely affect the interests of the Grantee hereunder, but no such waiver shall operate as or be construed to be a subsequent waiver of the same provision or a waiver of any other provision

hereof. Notwithstanding the preceding, the Plan, this Agreement and the Restricted Stock Award may be amended, altered, suspended, discontinued or terminated to the extent permitted by the Plan.

15. Shares Subject to Agreement.

The Shares shall be subject to the terms of this Agreement. Except as otherwise provided in Section 5 or Section 4.2 of the Plan, no adjustment shall be made for dividends or other rights for which the record date is prior to the issuance of the Shares. The Company shall not be required to deliver any Shares until the requirements of any federal or state securities or other laws, rules or regulations (including the rules of any securities exchange) as may be determined by the Committee to be applicable are satisfied.

16. Severability.

The parties hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses herein. Moreover, if one or more of the provisions of this Agreement are for any reason held to be excessively broad as to scope, activity, duration, subject, or otherwise, so as to be unenforceable at law, the parties consent to such provision or provisions being modified or limited by the appropriate judicial body or arbitrator (where allowed by applicable law), so as to be enforceable to the maximum extent compatible with the applicable law.

17. Headings.

The section headings of this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

18. Grantee's Acknowledgments.

The Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee or the Board of Directors of the Company, as appropriate, upon any questions arising under the Plan or this Agreement. Any determination in this connection by the Company, including the Board of Directors of the Company or the Committee, shall be final, binding and conclusive. The obligations of the Company and the rights of the Grantee are subject to all applicable laws, rules and regulations.

19. Parties Bound.

The terms, provisions and agreements that are contained in this Agreement shall apply to, be binding upon, and inure to the benefit of the parties and their respective heirs, executors, administrators, legal representatives and permitted successors and assigns, subject to the limitation on assignment expressly set forth herein. This Agreement shall have no force or effect unless it is duly executed and delivered by the Company.

20. Notices.

Any notice to be given under the terms of this Agreement shall be in writing and addressed to the Company at its office at 200 Oceangate, Suite 100, Long Beach, California 90802 to the attention of the Secretary, and to the Grantee at the Grantee's last address reflected on the Company's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be given only when received, but if the Grantee is no longer an employee of the Company, shall be deemed to have been duly given by the Company when enclosed in a properly sealed envelope addressed as aforesaid, registered or certified, and deposited (postage and registry or certification fee prepaid) in a post office or

branch post office regularly maintained by the United States Government or through overnight mail via Federal Express, UPS or a comparable reliable carrier.

21. Counterparts.

This Agreement may be executed in counterparts, each of which shall constitute an original, but both of which when taken together shall constitute a single contract. Delivery of an executed counterpart of a signature page of this Agreement by telecopy shall be effective as delivery of a manually executed counterpart of this Agreement.

[Remainder of this page intentionally left blank.]

IN WITNESS WHEREOF, each of the parties has executed this Agreement, in the case of the Company by its duly authorized officer, effective as of the day and year first above written.

MOLINA HEALTHCARE, INC.

By: _____
[Name]
Its: [Title]

GRANTEE,

[Name]

APPENDIX A

State-Specific Restrictive Covenant Provisions

The Grantee acknowledges and agrees that to the extent New York law does not apply, the restrictive covenants set forth in Sections 7.1.1, 7.1.2, and 7.2 of the Restricted Stock Award Agreement (the “**Agreement**”) shall be amended as set forth below.

Alabama

If the Grantee primarily resides and works in Alabama at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then the Employee non-solicitation restrictions in Section 7.1.1 shall be limited to employees who hold a position essential to the management, organization, or service of the business. The Customer non-solicitation restrictions in Section 7.1.2 shall be limited to current customers of the Company.

California

If the Grantee primarily resides and works in California at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then the following applies to the Grantee:

- (a) the Employee non-solicitation restrictions in Part (i) of Section 7.1.1 shall be limited to persons with whom the Grantee had direct or material contact, or about whom the Grantee received confidential information in connection with the Grantee’s employment with the Company (or any Subsidiary);
- (b) the Customer non-solicitation restrictions in Section 7.1.2 shall be limited to situations in which, for the activities described in Parts (i) through (iv) of Section 7.1.2, such activities post-termination of employment involve the use of trade secrets or other Confidential Information;
- (c) the Customer non-solicitation restrictions in Part (i) of Section 7.1.2 shall not be limited to persons, firms, corporations, associations, or other entities with whom or which the Grantee had initial contact in connection with the Grantee’s employment with the Company (or any Subsidiary);
- (d) Section 7.2 shall not apply; and
- (e) “California” shall replace “New York” in Section 10, such that the Agreement is governed by the internal law of the State of California and the Parties irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts located in Los Angeles County, California in any action or proceeding arising out of or relating to the Agreement.

Colorado

If the Grantee primarily resides and works in Colorado at the time that Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then “Colorado” shall replace “New York” in Section 10, such that the Agreement is governed by the internal law of the State of Colorado and the Parties irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts located in Colorado in any action or proceeding arising out of or relating to the Agreement. Section 7.1 shall only apply if the Grantee earns an annualized cash compensation equivalent or greater than \$76,254.60, or such greater amount as may be incorporated from time to time by the state of Colorado. Section 7.2 shall only apply if Grantee earns an annualized cash compensation equivalent or greater than \$127,091, or such greater amount as may be incorporated from time to time by the state of Colorado. The Grantee further acknowledges that the Agreement, including the grant of the Restricted Stock Award, is not effective until the later of (x) 14 days after the date the Grantee signs the Notice of a Covenant Not to Compete (the “**Notice**”), which has been provided separately, and (y) the date the Grantee signs the Agreement.

Connecticut

If the Grantee primarily resides and works in Connecticut at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating

to Section 7 of the Agreement, then the Customer non-solicitation restrictions in Section 7.1.2 shall not apply to prospective relationships.

Florida

If the Grantee primarily resides and works in Florida at the time that Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, shall be amended by adding a new sentence at the end of that section that says: "In addition, nothing in this provision prohibits the Grantee from accepting business from unsolicited Customers." The Grantee further acknowledges that Grantee has been given at least seven (7) calendar days to consider the Agreement, including the non-competition and non-solicitation covenants in Section 7. In addition, the Grantee hereby acknowledges that the Grantee will receive Confidential Information during the course of the Grantee's employment.

Illinois

If the Grantee primarily resides and works in Illinois at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then the Customer non-solicitation restrictions in Section 7.1.2 shall not apply to prospective relationships. Section 7.1 shall only apply if the Grantee earns an annualized rate of at least \$45,000, or such greater amount as may be incorporated from time to time by the state of Illinois. In addition, Section 7.2 shall only apply if the Grantee earns an annualized rate of at least \$75,000, or such greater amount as may be incorporated from time to time by the state of Illinois. Section 10 shall be amended by adding a new sentence at the end of that section that says: "The Grantee further acknowledges that Grantee has been given at least fourteen (14) calendar days to consider this Agreement."

Maryland

If the Grantee primarily resides and works in Maryland at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then Section 7.2 shall only apply if the Grantee (i) earns more than 150% of the State minimum wage rate established under Md. Code Ann., Lab. & Empl. § 3-413 and (ii) is not employed in a position for which the Grantee is required to be licensed under the Health Occupations Article, Md. Code Ann., Health Occ. §§ 1-101-21-502, and provides direct patient care.

Massachusetts

If the Grantee is, and has been for at least 30 days immediately preceding his or her cessation of employment with the Company, a resident of or employed in Massachusetts at the time of his or her termination of employment with the Company and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then "Massachusetts" shall replace "New York" in Section 10, such that the Agreement is governed by the internal law of the Commonwealth of Massachusetts and the Parties irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts located in Suffolk County, Massachusetts in any action or proceeding arising out of or relating to the Agreement. The Agreement shall not become effective until ten (10) business days following the Grantee's receipt of the Agreement.

Minnesota

If the Grantee primarily resides and works in Minnesota at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then Section 7.2 shall not apply.

New Hampshire

If the Grantee primarily resides and works in New Hampshire at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then the Employee non-solicitation restrictions in Section 7.1.1 shall be limited to employees with whom the Grantee interacted with or about whom the Grantee became

knowledgeable during employment. Further, the Customer non-solicitation restrictions in Section 7.1.2 shall not apply to prospective relationships. In addition, Section 7.2 shall only apply if the Grantee earns an hourly rate greater than or equal to 200% of the federal minimum wage.

North Carolina

If the Grantee primarily resides and works in North Carolina at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then the Employee non-solicitation restrictions in Section 7.1.1 shall be limited to employees with whom the Grantee had business contact.

North Dakota

If the Grantee primarily resides and works in North Dakota at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then Section 7.2 shall not apply.

Oklahoma

If the Grantee primarily resides and works in Oklahoma at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then Section 7.2 shall not apply.

Oregon

If the Grantee primarily resides and works in Oregon at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then the Employee non-solicitation restrictions in Section 7.1.1 shall be limited to employees with whom the Grantee has worked or had contact during employment. In addition, Section 7.2 shall only apply if the Grantee earns an annual income of at least \$116,427, or such greater amount as may be incorporated from time to time by the state of Oregon.

Virginia

If the Grantee primarily resides and works in Virginia at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then Section 7.2 shall only apply if the Grantee earns an annual earning of at least \$76,081.20 or such greater amount as may be incorporated from time to time by the state of Virginia, and is classified as exempt from overtime compensation under the Federal Labor Standards Act. Section 7 shall not prohibit Participant from providing a service to a customer who initiates contact with the Participant prior to any solicitation or contact from the Participant.

Washington

If the Grantee primarily resides and works in Washington at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then Section 7.2 shall only apply if Grantee earns an annual earning of at least \$123,394.17, or such greater amount as may be incorporated from time to time by the state of Washington.

Wisconsin

If the Grantee primarily resides and works in Wisconsin at the time that the Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section 7 of the Agreement, then the Customer non-solicitation restrictions in Section 7.1.2 shall be limited to actual customers about whom the Grantee had access to information.

Wyoming

If the Grantee primarily resides and works in Wyoming at the time that Grantee executes the Agreement and New York law does not apply to any dispute between the Company and the Grantee relating to Section

7 of the Agreement, then Section 7.2 shall not apply, unless the Grantee serves in an executive or management role or constitutes professional staff to executive and management personnel.

APPENDIX B

Non-Competition Period

The Non-Competition Period is defined as the time during Grantee's employment with the Company and for a period of time after termination of the Grantee's employment with the Company (and its Subsidiaries) which, unless otherwise limited by applicable state law, is [one (1) year]/[six (6) months].

**MOLINA HEALTHCARE, INC.
2025 EQUITY INCENTIVE PLAN**

PERFORMANCE STOCK UNIT AWARD AGREEMENT

Participant: _____

Grant Date: _____

Target Number of Performance Units¹: _____

Performance Period for the Award: _____ to _____

Vesting^{1,2} The Award shall vest and become nonforfeitable as provided in Section 2 of the attached Terms and Conditions of Performance Unit Award (the “**Terms**”).

THIS PERFORMANCE STOCK UNIT AWARD AGREEMENT (this “**Agreement**”) dated as of the Grant Date, by and between MOLINA HEALTHCARE, INC., a Delaware corporation (the “**Corporation**”), and the Participant, evidences the award of Performance Units (the “**Award**”) granted by the Corporation to the Participant as to the number of Performance Units first set forth above.

The Award is granted under the MOLINA HEALTHCARE, INC. 2025 EQUITY INCENTIVE PLAN (the “**Plan**”), by and between the Corporation and the Participant, and is subject to the Terms attached to this Agreement (incorporated herein by this reference) and to the Plan. The Award has been granted to the Participant in addition to, and not in lieu of, any other form of compensation otherwise payable or to be paid to the Participant. Participation in the Plan is entirely voluntary and not a condition of employment. Whether Participant chooses to participate in the Plan or not is entirely within Participant’s discretion. Capitalized terms are defined in the Plan if not defined herein. The parties agree to the terms of the Award set forth herein. The Participant acknowledges receipt of a copy of the Terms, the Plan, and the Prospectus for the Plan and through Participant’s signature below agrees to be bound by these documents.

The Participant acknowledges and agrees that the Corporation may deliver, by electronic mail, the use of the Internet, including through the website of the agent appointed by the Committee to administer the Plan, the Corporation intranet web pages or otherwise, any information concerning the Corporation, this Award, the Plan, and any information required by the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

PARTICIPANT

MOLINA HEALTHCARE, INC.
a Delaware corporation

[Name]

Jeff D. Barlow, Chief Legal Officer

TERMS OF PERFORMANCE UNIT AWARD

1. Performance Units.

Each Performance Unit constitutes an unfunded and unsecured promise of the Corporation to deliver up to [_____] shares of the Corporation’s common stock to the Participant (subject to adjustment as provided in

¹ Subject to adjustment under Section 4.2 of the Plan.

² Subject to early termination under Section 10.7 of the Plan.

Section 4.2 of the Plan and Section 9 below) pursuant to the terms of this Agreement, subject to the vesting provisions in Exhibit A. The Performance Units shall be used solely as a device for the determination of the payment to eventually be made to the Participant if such Performance Units vest pursuant to Section 2. The Performance Units shall not be treated as property or as a trust fund of any kind.

2. Vesting.

Subject to Section 7 and Section 10.7 of the Plan, the Award shall vest and become nonforfeitable at the vesting percentage levels set forth in Exhibit A, based on the achievement of the Performance Goals established by the Committee and set forth on Exhibit A attached hereto for the Performance Period and subject to Participant's continuous Service with the Corporation or its Affiliates until the Determination Date (as defined on Exhibit A) and continued compliance with the terms in the Plan and this Agreement, including the Participant's covenants in Section 10 below. In the event that the performance condition with respect to the Award is achieved and Participant's Service has not terminated as of the payout of the Award, the Award shall become unconditionally due. Subject to Section 7, any Performance Units subject to the Award that do not vest in accordance with Exhibit A shall terminate.

3. Continuance of Service.

Except as otherwise expressly provided in Section 7 below and Section 10.7 of the Plan, the vesting schedule requires Participants' continuous Service with the Corporation until the Determination Date. Service for only a portion of the vesting period, even if a substantial portion, will not entitle the Participant to any proportionate vesting or avoid or mitigate a termination of rights and benefits upon or following a termination of Participant's Service as provided in Section 7 below or under the Plan for such vesting period (or for any later vesting period).

Nothing contained in this Agreement or the Plan constitutes an employment or service commitment by the Corporation, affects the contractual obligations pursuant to any employment or service commitment agreement if Participant is party to such agreement, or in the absence of such agreement affects Participant's status as an employee at will who is subject to termination without cause, confers upon the Participant any right to remain employed by or in service to the Corporation or any Subsidiary Corporation, interferes in any way with the right of the Corporation or any Subsidiary Corporation at any time to terminate Participant's Service, or affects the right of the Corporation or any Subsidiary Corporation to increase or decrease the Participant's other compensation or benefits. Nothing in this paragraph, however, is intended to adversely affect any independent contractual right of the Participant without his consent thereto.

4. Limitations on Rights Associated with Performance Units.

The Participant shall have no rights as a stockholder of the Corporation, no dividend rights and no voting rights with respect to the Performance Units and any shares of Common Stock underlying or issuable in respect of such Performance Units until such shares of Common Stock are actually issued to and held of record by the Participant. No adjustments will be made for dividends or other rights of a holder for which the record date is prior to the date of issuance of the stock certificate in respect of the shares of Common Stock (if any) issuable for the Performance Units that vest in accordance with Section 2.

5. Restrictions on Transfer.

Unless otherwise determined by the Committee, neither the Award, nor any interest therein may be sold, assigned, transferred, pledged or otherwise disposed of, alienated or encumbered, either voluntarily or involuntarily and shall not be subject to execution, attachment or similar process. Any attempted sale, assignment, transfer, pledge, hypothecation or other conveyance or encumbrance shall be void and unenforceable against the Corporation (or any Subsidiary). The transfer restrictions in the preceding sentence shall not apply to (a) transfers to the Corporation, or (b) transfers by will or the laws of descent and distribution.

6. Conversion of Performance Units: Issuance of Common Stock.

No later than March 15 of the year following the year in which the vesting event occurs (which payment schedule is intended to comply with the “short-term deferral” exemption from the application of Section 409A of the Code and all regulations, guidance, compliance programs and other interpretative authority thereunder), the Corporation shall deliver to the Participant the respective number of shares of Common Stock (either by delivering one or more certificates for such shares or by entering such shares in book entry form, as determined by the Corporation in its discretion) for the Performance Units (if any) that vest in accordance with Section 2, unless such Performance Units terminate prior to the given vesting date pursuant to Section 7. The Corporation’s obligation to deliver shares of Common Stock with respect to any vested Performance Units is subject to the condition precedent that the Participant or other person entitled under the Plan to receive any shares with respect to the vested Performance Units deliver to the Corporation any representations or other documents or assurances required pursuant to Section 14 of the Plan. The Participant shall have no further rights with respect to any Performance Units that are paid or that are terminated pursuant to Section 7.

7. Effect of Termination of Employment.

If the Participant’s Service ceases for any reason (the last day that the Participant’s Service is referred to as the Participant’s “**Severance Date**”), the Participant’s Performance Units, to the extent unvested on the Severance Date, shall terminate and be forfeited as of the Severance Date. If any unvested Performance Units are terminated hereunder, such Performance Units shall automatically terminate and be cancelled as of the applicable termination date without payment of any consideration by the Corporation and without any other action by the Participant, or the Participant’s beneficiary or personal representative, as the case may be.

8. Adjustments Upon Specified Events.

The Committee may accelerate payment and vesting of the Performance Units in such circumstances as it, in its sole discretion, may determine. In addition, upon the occurrence of certain events relating to the Corporation’s stock contemplated by Section 4.2 of the Plan (including, without limitation, an extraordinary cash dividend on such stock), the Committee shall make adjustments in the number of Performance Units then outstanding and the number and kind of securities that may be issued in respect of the Award. No such adjustment shall be made with respect to any ordinary cash dividend paid on the Common Stock. Furthermore, the Committee shall adjust the performance measures and performance goals referenced in Exhibit A hereof to the extent (if any) it determines that the adjustment is necessary or advisable to preserve the intended incentives and benefits to reflect (1) any material change in corporate capitalization, any material corporate transaction (such as a reorganization, combination, separation, merger, acquisition, or any combination of the foregoing), or any complete or partial liquidation of the Corporation, (2) any change in accounting policies or practices, (3) the effects of any special charges to the Corporation’s earnings, or (4) any other similar special circumstances.

9. Tax Withholding.

Subject to Section 16 of the Plan and such rules and procedures as the Committee may impose, upon any distribution of shares of Common Stock in respect of the Award, the Corporation shall automatically reduce the number of shares to be delivered by (or otherwise reacquire) the appropriate number of whole shares, valued at their then Fair Market Value, to satisfy any withholding obligations of the Corporation or its Subsidiary Corporations with respect to such distribution of shares at the minimum applicable withholding rates; provided, however, that the foregoing provision shall not apply in the event that the Participant has, subject to the approval of the Committee, made other provision in advance of the date of such distribution for the satisfaction of such withholding obligations. In the event that the Corporation cannot legally satisfy such withholding obligations by such reduction of shares, or in the event of a cash payment or any other withholding event in respect of the Award, the Corporation (or a Subsidiary Corporation) shall be entitled to require a cash payment by or on behalf of the Participant and/or to deduct from other compensation payable to the Participant any sums required by federal, state or local tax law to be withheld with respect to such distribution or payment.

Participant acknowledges that Participant is ultimately liable and responsible for all taxes owed in connection with this Award, regardless of any action the Corporation or any Subsidiary Corporation takes with respect to any tax withholding obligations that arise in connection with the Award. Neither the Corporation or any

Subsidiary Corporation makes any representation or undertaking regarding the treatment of any tax withholding in connection with the awarding, vesting or payment of the Performance Units or the subsequent sale of Shares. The Corporation and its Subsidiary Corporations do not commit and are under no obligation to structure the Performance Units to reduce or eliminate Participant's tax liability.

10. Participant's Covenants.

Participant acknowledges that the above Award constitutes consideration, and absent this Agreement, is beyond what the Corporation is obligated to pay. Participant's decision to participate in the Plan is voluntary and subject to Participant's sole discretion. In consideration of the opportunity for the Award specified above, and other good and valuable consideration, Participant agrees to the following, subject to any applicable provisions of Exhibit B, which shall continue to apply in the event the Participant's employment is terminated by either party for any reason or no reason, with or without Cause. Participant also acknowledges that Participant has been advised to consult with an attorney of Participant's choosing prior to signing this Agreement.

10.1 Non-Solicitation.

10.1.1 Non-Solicitation (Employees). The Participant acknowledges and agrees that during the period of Participant's employment by the Corporation (or any Subsidiary), and for a period of one (1) year after the termination of Participant's employment with the Corporation (and its Subsidiaries), the Participant shall not, other than on behalf of the Corporation (or any of its Subsidiaries): (i) directly or indirectly, either alone or in concert with others, solicit, entice, or encourage the hiring of any employee or contractor of the Corporation (or any Subsidiary), in each case, who developed or possessed trade secrets or other proprietary information (including, without limitation, Confidential Information); or (ii) help another person or entity evaluate any such employee or contractor of the Corporation (or any Subsidiary) as a candidate. These restrictions do not apply if the person or contractor of the Corporation (or any Subsidiary) was involuntarily terminated or laid off by the Corporation (or any Subsidiary). Notwithstanding the foregoing, non-targeted, general solicitations to the public shall be deemed not to breach this Section 10.1.1.

10.1.2 Non-Solicitation (Customers). During the Participant's employment with the Corporation (or any Subsidiary), and for a period of one (1) year after the termination of Participant's employment with the Corporation (and its Subsidiaries), the Participant shall not, directly or indirectly, other than on behalf of the Corporation (or any of its Subsidiaries): (i) contact or solicit, or direct any person, firm, corporation, association or other entity to contact or solicit, any of the Corporation's Customers (defined below) with whom or which the Participant had initial contact in connection with the Participant's employment with the Corporation (or any Subsidiary) for the purpose of providing any products and/or services that are the same as or similar to the products and services provided by the Corporation to its Customers in the then-immediately preceding two (2) years ending no later than the last day of the Participant's employment with the Corporation (and its Subsidiaries); or (ii) divert or attempt to divert, for his direct or indirect benefit, or for the benefit of any other person, firm, corporation, association or other entity, the business of any Customer of the Corporation; or (iii) influence or attempt to influence any Customer of the Corporation to transfer its business to the Participant or any person, firm, corporation, association or other entity; or (iv) in any other manner knowingly interfere with, disrupt or attempt to disrupt the relationship of the Corporation with any of its Customers. In addition, the Participant will not disclose the identity of any such Customers to any person, firm, corporation, association, or other entity for any reason or purpose whatsoever. "Customer" means any healthcare providers, suppliers, manufacturers, agencies, brokers, hospitals, hospital systems, long-term care facilities, insurance client/customers, pharmaceutical manufacturers, or other business enterprises or their representatives or agents, in each case, with whom the Corporation has a business relationship, including a prospective relationship, and with whom or which the Participant had business-related contact or dealings in the then-immediately preceding two (2) years ending no later than the last day of the Participant's employment with the Corporation (and its Subsidiaries), or about whom or which the Participant received Confidential Information. This non-solicitation provision with respect to Corporation's Customers shall replace any non-solicitation provision with respect to the Corporation's Customers set forth in any prior agreements. Notwithstanding the foregoing, non-targeted, general solicitations to the public shall be deemed not to breach this Section 10.1.2.

10.2 Non-Competition.

During the Noncompete Period, as defined in Exhibit C, the Participant shall not, other than on behalf of the Corporation (or any of its Subsidiaries), recognizing the national scope of the Corporation's business, directly or through others, engage in Competition within, or directed to any person or entity located within, the United States or any other geographic region in which the Corporation operates or has taken initial steps to so operate in the then-immediately preceding two (2) years ending no later than the last day of the Participant's employment with the Corporation (and its Subsidiaries). For Purposes of this Agreement, "Competition" means (i) participating as an officer, director, employee in a management or executive-level role, consultant, investor, or shareholder, or (ii) providing consulting, advisory, business, investment, strategic, sales, financial, operational, technical, underwriting, pricing, actuarial/reserving or design advice or services (in each case, to the extent that the Participant provided such advice or services to the Corporation or any of its Subsidiaries or Affiliates at any time during the then-immediately preceding two (2) years ending no later than the last day of the Participant's employment with the Corporation (and its Subsidiaries) to any person or entity engaged in nor actively preparing to become engaged in providing managed healthcare through Medicaid and Medicare and through state or federal insurance Marketplace ("Competing Services"); provided, however, that "Competition" shall not include: the performance of services for any enterprise to the extent such services are restricted solely to one or more distinct portions of the operations and businesses of such entity and such distinct portions are not engaged in the Competing Services, and the Participant does not have any discussions with, or participate in, the governance, strategy, development, management or operations of such business segments that engage in the Competing Services. This non-competition provision shall replace any non-competition provisions set forth in any prior equity agreements, including without any limitation any prior restricted stock award agreements.

Upon request of a representative of the Corporation during the Non-Competition Period, the Participant must identify the entity to which the Participant is providing services, or intends to be employed, and describe the nature of the services with sufficient detail to allow the Corporation to independently assess whether the Participant is or will be in violation of this Agreement. The statement shall be delivered to the Corporation's Chief Human Resources Officer or his or her authorized delegate via email overnight delivery within five (5) calendar days of receipt of the request.

10.3 Nondisparagement.

Subject to Section 10.6, the Participant agrees that he/she will not disparage the Corporation or its directors, officers, employees, affiliates, subsidiaries, predecessors, successors or assigns in any written or oral communications to any third party. The Participant further agrees that he/she will not direct anyone to make any disparaging oral or written remarks to any third parties.

10.4 Confidentiality.

Subject to Section 10.6, the Participant agrees to keep and maintain in strict confidence all confidential and proprietary information of the Corporation (or any Subsidiary) during and after the term of employment by the Corporation, and to never directly or indirectly make known, divulge, reveal, furnish, make available, or use any confidential information or remove, copy, duplicate, or otherwise reproduce any document or tangible item reflecting any confidential information (except in the course of regular authorized duties on behalf of the Corporation or any Subsidiary). Participant's obligations of confidentiality hereunder shall survive termination of employment regardless of any actual or alleged breach by the Corporation (or any Subsidiary) in connection with such termination, until and unless any such confidential information shall have become, through no fault of Participant, generally known to the public or unless Participant is required by law to make disclosure (after giving the Corporation or any Subsidiary notice and an opportunity to contest such requirement). Participant's obligations under this Section are in addition to and not in limitation or preemption of all other obligations of confidentiality which Participant has to the Corporation under general legal or equitable principles. All documents and other property including or reflecting confidential information furnished to Participant by the Corporation or otherwise acquired or developed by the Corporation shall at all times be the property of the Corporation (or any Subsidiary). Upon termination of employment, Participant shall return to the Corporation (or any Subsidiary) any such documents or other property (including copies, summaries, or analyses of the foregoing) of the Corporation (or any Subsidiary) which are in Participant's possession, custody, or control.

10.5 Necessity of Restrictions.

The Participant acknowledges that each of the covenants in Section 10 is reasonable and necessary to preserve the legitimate business interests of the Corporation, its present and potential business activities, and the economic benefits derived therefrom; that they will not prevent him or her from earning a livelihood in the Participant's chosen business and are not an undue restraint on the trade of the Participant, or any of the public interests which may be involved.

10.6 Limitation on Restrictions.

Nothing in this Agreement, or any other agreement the Participant has with the Corporation (or any of its Subsidiaries) will prohibit or restrict the Participant from (i) voluntarily communicating with an attorney retained by the Participant, (ii) voluntarily communicating with or testifying before any law enforcement, government agency, including the Securities and Exchange Commission ("SEC"), the Equal Employment Opportunity Commission, the New York State Division of Human Rights or any other state or local commission on human rights, or any self-regulatory organization, or otherwise initiating, assisting with, or participating in any manner with an investigation conducted by such government agency, in each case regarding possible violations of law and without advance notice to the Corporation, (iii) recovering a SEC whistleblower award as provided under Section 21F of the Securities Exchange Act of 1934, (iv) disclosing any confidential information (including, without limitation, Confidential Information) to a court or other administrative or legislative body in response to a subpoena, court order or written request, provided that the Participant first promptly notifies (to the extent legally permissible) and provides the Corporation with the opportunity to seek, and join in its efforts at the sole expense of the Corporation, to challenge the subpoena or obtain a protective order limiting its disclosure, or other appropriate remedy, (v) if the Participant is not a supervisor, communicating, or otherwise acting together (including through or using third parties and/or mediums such as social media platforms), with co-workers, a labor organization (or representative thereof) or a federal or state administrative agency, in each case, to address wages, benefits or terms and conditions of employment at the Corporation or any of its Subsidiaries, (vi) filing or disclosing any facts necessary to receive unemployment insurance, Medicaid or other public benefits to which the Participant is entitled, (vii) disclosing the underlying facts or circumstances relating to claims of discrimination, in violation of laws prohibiting discrimination, against the Corporation or any of its Subsidiaries or otherwise discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that the Participant has reason to believe is unlawful, or (viii) otherwise making truthful statements required by law, regulation or legal process. Further, nothing in this Agreement limits the Participant's right to receive an award for information provided to a government agency such as the SEC and OSHA. In addition, nothing in this Agreement is intended to interfere with or restrain the immunity provided under 18 U.S.C. § 1833(b) for confidential disclosures of trade secrets to government officials or lawyers, solely for the purpose of reporting or investigating a suspected violation of law, or in a sealed filing in court or other proceeding.

11. Notices.

Any notice to be given under the terms of this Agreement shall be in writing and addressed to the Corporation at its office at 200 Oceangate, Suite 100, Long Beach, California 90802 to the attention of the Secretary, and to the Participant at the Participant's last address reflected on the Corporation's records, or at such other address as either party may hereafter designate in writing to the other. Any such notice shall be given only when received, but if the Participant is no longer an employee of the Corporation, shall be deemed to have been duly given by the Corporation when enclosed in a properly sealed envelope addressed as aforesaid, registered or certified, and deposited (postage and registry or certification fee prepaid) in a post office or branch post office regularly maintained by the United States Government or through overnight mail via Federal Express, UPS or a comparable reliable carrier.

12. Plan.

The Award and all rights of the Participant under this Agreement are subject to, and the Participant agrees to be bound by, all of the terms of the provisions of the Plan, which are incorporated herein by reference. In the event of a conflict or inconsistency between the terms of this Agreement and those of the Plan, the terms of the Plan shall govern. The Participant acknowledges having read and understood the Plan, the Prospectus for the Plan, and this Agreement. Unless otherwise expressly provided in other sections of this Agreement, provisions of the Plan that confer discretionary authority on the Committee do not (and shall not be deemed to) create any rights in the

Participant unless such rights are expressly set forth herein or are otherwise in the sole discretion of the Committee so conferred by appropriate action of the Committee under the Plan after the date hereof.

13. Construction; Section 409A.

This Agreement shall be interpreted in such a manner that all provisions relating to the settlement of the Award will not result in the imposition of any tax liability pursuant to Section 409A of the Code and all regulations, guidance, compliance programs and other interpretative authority thereunder (“Code Section 409A”) as “short-term deferrals” as described in Code Section 409A. This Agreement shall be construed and interpreted consistent with that intent. Notwithstanding any provision of this Agreement to the contrary, if the Participant is a “specified employee” as defined in Code Section 409A and, as a result of that status, any portion of the payments under this Agreement would otherwise be “nonqualified deferred compensation” subject to taxation pursuant to Code Section 409A due to his “separation from service” (as defined under Code Section 409A), such payment(s) will, to the extent necessary to avoid taxes under Section 409A(a)(2)(B)(i) of the Code, be delayed for the six-month period commencing on the Participant’s “separation from service” (or, if earlier, until the specified employee’s death) and shall instead be paid, without interest, on or as soon as reasonably practicable after the earlier of (i) the day immediately following the date which is six (6) months after his “separation from service”, or (ii) the date of the Participant’s death; provided the first such payment thereafter shall include all amounts that would have been paid earlier but for such six (6) month delay. The Corporation and the Participant agree to act reasonably and to cooperate to amend or modify this Agreement to the extent reasonably necessary to avoid the imposition of the tax under Code Section 409A. Any payments of “nonqualified deferred compensation” under this Award payable more than six months following the Participant’s “separation from service” will be paid at the time or times the payments are otherwise scheduled to be made.

14. Entire Agreement; Applicability of Other Agreements; No Conflicting Agreements.

This Agreement and the Plan, together constitute the entire agreement and supersede all prior understandings and agreements, written or oral, of the parties hereto with respect to the subject matter hereof. By accepting this Award, the Participant acknowledges that a copy of the Plan has been made available by the Corporation for the Participant’s reference and agrees to be bound by the terms and conditions set forth in this Agreement and the Plan as in effect, or as may be amended from time to time. All prior negotiations and agreements between the parties with respect to the subject matter hereof are merged into this Agreement. Each party to this Agreement acknowledges that no representations, inducements, promises or agreements, orally or otherwise, have been made by any party or by anyone acting on behalf of any party, which are not embodied in this Agreement or the Plan and that any agreement, statement or promise that is not contained in this Agreement or the Plan shall not be valid or binding or of any force or effect. The Plan and this Agreement may be amended pursuant to Section 17 of the Plan. Any amendment to this Agreement must be in writing and signed by the Chief Legal Officer of the Corporation. The Corporation may, however, unilaterally waive any provision hereof in writing to the extent such waiver does not adversely affect the interests of the Participant hereunder, but no such waiver shall operate as or be construed to be a subsequent waiver of the same provision or a waiver of any other provision hereof. Notwithstanding the foregoing, if the Participant is subject to a written employment, change in control or similar agreement with the Corporation that is in effect as of the Participant’s Severance Date, including without limitation the Corporation’s Second Amended and Restated Change in Control Severance Plan (“Change in Control Plan”), as may be amended from time to time, and the Participant would be entitled under the express provisions of such agreement or the Change in Control Plan, to greater rights with respect to accelerated vesting of the Award in connection with the termination of the Participant’s employment in the circumstances, the provisions of such agreement and/or the Change in Control Plan shall control with respect to such accelerated vesting rights; provided, however, that the immediately preceding sentence will not be construed to affect Section 10 of this Agreement.

15. Limitation on Participant’s Rights.

Participation in this Plan confers no rights or interests other than as herein provided. This Agreement creates only a contractual obligation on the part of the Corporation as to amounts payable and shall not be construed as creating a trust. Neither the Plan nor any underlying program, in and of itself, has any assets. The Participant shall have only the rights of a general unsecured creditor of the Corporation (or applicable Subsidiary Corporation) with respect to amounts credited and benefits payable in cash, if any, with respect to the Performance Units, and rights no greater than the right to receive the Common Stock (or equivalent value) as a general unsecured creditor with respect to Performance Units, as and when payable thereunder.

16. Forfeiture and Corporation's Right to Recover Fair Market Value of Shares Received Pursuant to Performance Units; Return of Consideration.

16.1 Forfeiture.

The Award and the Shares issuable hereunder shall be subject to any clawback or recoupment policy in effect on the Award Date or as may be adopted or maintained by the Corporation following the Award Date.

In addition, if, at any time, the Board or the Committee, as the case may be, in its sole discretion determines that any action or omission by Participant constituted (a) wrongdoing that contributed to (i) any material misstatement in or omission from any report or statement filed by the Corporation with the U.S. Securities and Exchange Commission or (ii) a statement, certification, cost report, claim for payment, or other filing made under Medicare or Medicaid that was false, fraudulent, or for an item or service not provided as claimed, (b) intentional or gross misconduct, (c) a breach of a fiduciary duty to the Corporation or a Subsidiary Corporation, (d) fraud or (e) non-compliance with the Corporation's Code of Business Conduct and Ethics, policies or procedures to the material detriment of the Corporation, then in each such case, commencing with the first fiscal year of the Corporation during which such action or omission occurred, Participant shall forfeit (without any payment therefore) up to 100% of any Performance Units that have not been vested or settled and shall repay to the Corporation, upon notice to Participant by the Corporation, up to 100% of the Fair Market Value of the shares of Common Stock at the date on which such shares were delivered to the Participant in settlement of the Performance Units. The Board or the Committee, as the case may be, shall determine in its sole discretion the date of occurrence of such action or omission, the percentage of the Performance Units that shall be forfeited and the percentage of the Fair Market Value of the shares of Common Stock delivered pursuant to the Performance Units that must be repaid to the Corporation. Notwithstanding the foregoing, to the extent this paragraph provides for recovery of an amount already recovered by the Corporation pursuant to the Clawback Policy, such amount shall be credited to the amount required to be recovered pursuant to this paragraph from Participant.

16.2 Return of Consideration.

If, at any time, the Committee in its sole discretion determines that any action or omission by Participant constituted a breach of the covenants in Section 10, then (i) all unexercised Corporation stock options under any Designated Plan (defined below) whether or not otherwise vested shall cease to be exercisable and shall immediately terminate; (ii) the Participant shall forfeit any outstanding restricted stock or other outstanding equity award made under any Designated Plan and not otherwise vested on the date of breach; and (iii) the Participant shall pay to the Corporation (A) for each share of common stock of the Corporation ("Common Share") acquired on exercise of an option under a Designated Plan within the twenty-four (24) months prior to such breach, the excess of the Fair Market value of a Common Share on the date of exercise over the exercise price, and (B) for each share of restricted stock and/or performance stock that became vested under any Designated Plan within the twenty-four (24) months prior to such breach, the Fair Market Value (on the date of vesting) of a Common Share. Any amount to be repaid pursuant to this Section 16.2 shall be held by the Participant in constructive trust for the benefit of the Corporation and shall, upon written notice from the Corporation, within 10 days of such notice, be paid by the Participant to the Corporation with interest from the date such Common Share was acquired or the share of restricted stock became vested, as the case may be, to the date of payment, at 120% of the current Short-Term Applicable Federal Rate on the date of the repayment. Any amount described in clauses (i) and (ii) that the Participant forfeits as a result of a breach of the provisions of Section 10 shall not reduce any money damages that would be payable to the Corporation as compensation for such breach. The amount to be repaid pursuant to this Section 16.2 shall be determined on a gross basis, without reduction for any taxes incurred, as of the date of the realization event, and without regard to any subsequent change in the Fair Market Value of a Common Share. The Corporation shall have the right to offset such amount against any amounts otherwise owed to the Participant by the Corporation (whether as wages, vacation pay, or pursuant to any benefit plan or other compensatory arrangement other than any amount pursuant to any nonqualified deferred compensation plan under Section 409A of the Internal Revenue Code). For purposes of this Section 16.2, a "Designated Plan" is each stock option, restricted stock, or other equity compensation or long-term incentive compensation plan adopted by the Corporation.

17. Remedies for Breach.

17.1 Because Participant's services are unique and because Participant has access to the Corporation's confidential information, the parties agree that any breach or threatened breach of Section 10 will cause irreparable harm to the Corporation and that money damages alone would be an inadequate remedy. The parties therefore agree that, in the event of any breach or threatened breach of Section 10, and in addition to all other rights and remedies available to it, under this Agreement, including as listed in Section 16.2 or otherwise, and whether in equity or at law, the Corporation may apply to any court of competent jurisdiction for specific performance and/or injunctive or other relief, without a bond, in order to enforce or prevent any violations of the provisions of Section 10.

17.2 Participant acknowledges and understands that, but for agreeing to be bound to the provisions of Section 10, Participant would not be entitled to receive the Award. Participant agrees that any breach of Section 10 would constitute a material breach of this Agreement and subjects Participant to the forfeiture and/or return of **all Awards made pursuant to this Agreement**, as well as the forfeiture and/or recoupment of certain of other Awards or their Fair Market Value, as set out in Section 16.2. The Corporation expressly reserves the right to pursue all other legal and equitable remedies available to it by virtue of any breach of Section 10, including without limitation injunctive relief and monetary damages.

17.3 Participant acknowledges and agrees that the remedies provided are cumulative and not exclusive of any and other remedies available under this Agreement or otherwise, and whether in equity or at law, and including monetary damages. In that regard, Participant acknowledges and agrees that, while the forfeiture of payments and benefits referenced herein is appropriate in the event of a breach of Section 10, injunctive relief to prevent a continuing breach would still be necessary to give the Corporation an adequate remedy.

18. Severability

The parties hereby agree that each provision herein shall be treated as a separate and independent clause, and the unenforceability of any one clause shall in no way impair the enforceability of any of the other clauses herein. Moreover, if one or more of the provisions of this Agreement are for any reason held to be excessively broad as to scope, activity, duration, subject, or otherwise, so as to be unenforceable at law, the parties consent to such provision or provisions being modified or limited by the appropriate judicial body or arbitrator (where allowed by applicable law), so as to be enforceable to the maximum extent compatible with the applicable law.

19. Counterparts.

This Agreement may be executed simultaneously in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

20. Section Headings.

The section headings of this Agreement are for convenience of reference only and shall not be deemed to alter or affect any provision hereof.

21. Governing Law; Dispute Resolution.

Subject to any applicable provisions of Exhibit B, the internal law, and not the law of conflicts, of the State of New York will govern all questions concerning the validity, construction and effect of this Agreement. Subject to any applicable provisions of Exhibit B, the Participant hereby irrevocably and unconditionally submits, for itself and its property, to the exclusive jurisdiction of the state and federal courts located in New York, New York in any action or proceeding arising out of or relating to this Agreement. The Corporation and the Participant hereby irrevocably and unconditionally (a) agree not to commence any such action or proceeding except in the aforementioned courts, (b) consent to the service of process out of any of the aforementioned courts in any manner permitted by applicable law, (c) waive, to the fullest extent permitted by applicable law, any objection which such the Participant may now or hereafter have to the laying of venue of any such action or proceeding in any of the aforementioned courts, and (d) agree, to the fullest extent permitted by applicable law, not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum.

22. **Definitions.**

Terms not defined in this Agreement shall have the meanings given to them in the Plan.

23. **No Rights to Continue Service or Employment.**

Nothing herein shall be construed as giving the Participant the right to continue in the employ or to provide services to the Corporation (or any Subsidiary), whether as an employee or as a consultant or otherwise, or interfere with or restrict in any way the right of the Corporation (or any Subsidiary) to discharge the Participant, whether as an employee or consultant or otherwise, at any time, with or without cause. In addition, the Corporation (or any Subsidiary) may discharge the Participant free from any liability or claim under this Agreement.

EXHIBIT A
PERFORMANCE-BASED VESTING

EXHIBIT B

State-Specific Restrictive Covenant Provisions

The Participant acknowledges and agrees that to the extent New York law does not apply, the restrictive covenants set forth in Sections 10.1.1, 10.1.2, and 10.2 of the Performance Stock Unit Award Agreement (the “**Agreement**”) shall be amended as set forth below.

Alabama

If the Participant primarily resides and works in Alabama at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then the Employee non-solicitation restrictions in Section 10.1.1 shall be limited to employees who hold a position essential to the management, organization, or service of the business. The Customer non-solicitation restrictions in Section 10.1.2 shall be limited to current customers of the Corporation.

California

If the Participant primarily resides and works in California at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then the following applies to the Participant:

- (a) the Employee non-solicitation restrictions in Part (i) of Section 10.1.1 shall be limited to persons with whom the Participant had direct or material contact, or about whom the Participant received confidential information in connection with the Participant’s employment with the Corporation (or any Subsidiary);
- (b) the Customer non-solicitation restrictions in Section 10.1.2 shall be limited to situations in which, for the activities described in Parts (i) through (iv) of Section 10.1.2, such activities post-termination of employment involve the use of trade secrets or other Confidential Information;
- (c) the Customer non-solicitation restrictions in Part (i) of Section 10.1.2 shall not be limited to persons, firms, corporations, associations, or other entities with whom or which the Participant had initial contact in connection with the Participant’s employment with the Corporation (or any Subsidiary);
- (d) Section 10.2 shall not apply; and
- (e) “California” shall replace “New York” in Section 21, such that the Agreement is governed by the internal law of the State of California and the Parties irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts located in Los Angeles County, California in any action or proceeding arising out of or relating to the Agreement.

Colorado

If the Participant primarily resides and works in Colorado at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then “Colorado” shall replace “New York” in Section 21, such that the Agreement is governed by the internal law of the State of Colorado and the Parties irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts located in Colorado in any action or proceeding arising out of or relating to the Agreement. Section 10.1 shall only apply if the Participant earns an annualized cash compensation equivalent or greater than \$76,254.60, or such greater amount as may be incorporated from time to time by the state of Colorado. Section 10.2 shall only apply if the Participant earns an annualized cash compensation equivalent or greater than \$127,091, or such greater amount as may be incorporated from time to time by the state of Colorado. The Participant further acknowledges that the Agreement, including the grant of the Award, is not effective until the later of (x) 14 days after the date the Participant signs the Notice of a Covenant Not to Compete (the “Notice”), which has been provided separately, and (y) the date the Participant signs the Agreement.

Connecticut

If the Participant primarily resides and works in Connecticut at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then the Customer non-solicitation restrictions in Section 10.1.2 shall not apply to prospective relationships.

Florida

If the Participant primarily resides and works in Florida at the time that Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, Section 10 shall be amended by adding a new sentence at the end of that section that says: "In addition, nothing in this provision prohibits the Participant from accepting business from unsolicited Customers." The Participant further acknowledges that Participant has been given at least seven (7) calendar days to consider the Agreement, including the non-competition and non-solicitation covenants in Section 10. In addition, the Participant hereby acknowledges that the Participant will receive Confidential Information during the course of the Participant's employment.

Illinois

If the Participant primarily resides and works in Illinois at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then the Customer non-solicitation restrictions in Section 10.1.2 shall not apply to prospective relationships. Section 10.1 shall only apply if the Participant earns an annualized rate of at least \$45,000, or such greater amount as may be incorporated from time to time by the state of Illinois. In addition, Section 10.2 shall only apply if the Participant earns an annualized rate of at least \$75,000, or such greater amount as may be incorporated from time to time by the state of Illinois. Section 10 shall be amended by adding a new sentence at the end of that section that says: "The Participant further acknowledges that Participant has been given at least fourteen (14) calendar days to consider this Agreement."

Maryland

If the Participant primarily resides and works in Maryland at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then Section 10.2 shall only apply if the Participant (i) earns more than 150% of the State minimum wage rate established under Md. Code Ann., Lab. & Empl. § 3-413 and (ii) is not employed in a position for which the Participant is required to be licensed under the Health Occupations Article, Md. Code Ann., Health Occ. §§ 1-101–21-502, and provides direct patient care.

Massachusetts

If the Participant is, and has been for at least 30 days immediately preceding his or her cessation of employment with the Corporation, a resident of or employed in Massachusetts at the time of his or her termination of employment with the Corporation and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then "Massachusetts" shall replace "New York" in Section 21, such that the Agreement is governed by the internal law of the Commonwealth of Massachusetts and the Parties irrevocably and unconditionally submit to the exclusive jurisdiction of the state and federal courts located in Suffolk County, Massachusetts in any action or proceeding arising out of or relating to the Agreement. The Agreement shall not become effective until ten (10) business days following the Participant's receipt of the Agreement.

Minnesota

If the Participant primarily resides and works in Minnesota at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then Section 10.2 shall not apply.

New Hampshire

If the Participant primarily resides and works in New Hampshire at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then the Employee non-solicitation restrictions in Section 10.1.1 shall be limited to employees with whom the Participant interacted with or about whom the Participant became knowledgeable during employment. Further, the Customer non-solicitation restrictions in Section 10.1.2 shall not apply to prospective relationships. In addition, Section 10.2 shall only apply if the Participant earns an hourly rate greater than or equal to 200% of the federal minimum wage.

North Carolina

If the Participant primarily resides and works in North Carolina at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to

Section 10 of the Agreement, then the Employee non-solicitation restrictions in Section 10.1.1 shall be limited to employees with whom the Participant had business contact.

North Dakota

If the Participant primarily resides and works in North Dakota at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then Section 10.2 shall not apply.

Oklahoma

If the Participant primarily resides and works in Oklahoma at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then Section 10.2 shall not apply.

Oregon

If the Participant primarily resides and works in Oregon at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then the Employee non-solicitation restrictions in Section 10.1.1 shall be limited to employees with whom the Participant has worked or had contact during employment. In addition, Section 10.2 shall only apply if the Participant earns an annual income of at least \$116,427, or such greater amount as may be incorporated from time to time by the state of Oregon.

Virginia

If the Participant primarily resides and works in Virginia at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then Section 10.2 shall only apply if the Participant earns an annual earning of at least \$76,081.20 or such greater amount as may be incorporated from time to time by the state of Virginia, and is classified as exempt from overtime compensation under the Federal Labor Standards Act. Section 10 shall not prohibit Participant from providing a service to a customer who initiates contact with the Participant prior to any solicitation or contact from the Participant.

Washington

If the Participant primarily resides and works in Washington at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then Section 10.2 shall only apply if the Participant earns an annual earning of at least \$123,394.17, or such greater amount as may be incorporated from time to time by the state of Washington.

Wisconsin

If the Participant primarily resides and works in Wisconsin at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then the Customer non-solicitation restrictions in Section 10.1.2 shall be limited to actual customers about whom the Participant had access to information.

Wyoming

If the Participant primarily resides and works in Wyoming at the time that the Participant executes the Agreement and New York law does not apply to any dispute between the Corporation and the Participant relating to Section 10 of the Agreement, then Section 10.2 shall not apply, unless the Participant serves in an executive or management role or constitutes professional staff to executive and management personnel.

EXHIBIT C

Non-Competition Period

The Non-Competition Period is defined as the time during the Participant's employment with the Corporation and for a period of time after termination of the Participant's employment with the Corporation (and its Subsidiaries) which, unless otherwise limited by applicable state law, is [one (1) year]/[six (6) months].

CERTIFICATION

I, Joseph M. Zubretsky, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended September 30, 2025 of Molina Healthcare, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 23, 2025

/s/ Joseph M. Zubretsky

Joseph M. Zubretsky
Chief Executive Officer, President and Director
(Principal Executive Officer)

CERTIFICATION

I, Mark L. Keim, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the period ended September 30, 2025 of Molina Healthcare, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: October 23, 2025

/s/ Mark L. Keim

Mark L. Keim
Chief Financial Officer and Treasurer
(Principal Financial Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Molina Healthcare, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2025 (the "Report"), I, Joseph M. Zubretsky, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 23, 2025

/s/ Joseph M. Zubretsky

Joseph M. Zubretsky
Chief Executive Officer, President and Director
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Molina Healthcare, Inc. (the "Company") on Form 10-Q for the period ended September 30, 2025 (the "Report"), I, Mark L. Keim, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 23, 2025

/s/ Mark L. Keim

Mark L. Keim
Chief Financial Officer and Treasurer
(Principal Financial Officer)