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

FORM 8-K

Current Report

Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 7, 2019 (January 7, 2019)

MOLINA HEALTHCARE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**1-31719**	**13-4204626**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

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

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

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

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Emerging growth company ☐

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

Item 7.01. Regulation FD Disclosure.

On Monday, January 7, 2019, the Company's management gave a presentation followed by a question and answer session at the 37th Annual J.P. Morgan Healthcare Conference in San Francisco, California. During the presentation, the Company presented and webcast certain slides. A copy of the Company's complete slide presentation is included as Exhibit 99.1 to this report. An audio and slide replay of the Company's presentation will be available for 30 days from the date of the presentation on the Company's website www.molinahealthcare.com.

The information furnished herewith pursuant to Item 7.01 of this current report shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") or otherwise subject to the liabilities of that section, and shall not be incorporated by reference into any registration statement or other document filed by the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
99.1	Slide presentation in connection with the Company's presentation at the 37th Annual J.P. Morgan Healthcare Conference on January 7, 2019.

SIGNATURE

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

		MOLINA HEALTHCARE, INC.
Date:	January 7, 2019	By: *|s| Jeff D. Barlow*
		Jeff D. Barlow
		Chief Legal Officer and Secretary

EXHIBIT INDEX

Exhibit No.	Description
99.1	Slide presentation in connection with the Company's presentation at the 37th Annual J.P. Morgan Healthcare Conference on January 7, 2019.

MOLINA® HEALTHCARE

Molina Healthcare, Inc.
J.P. Morgan Healthcare Conference

Joe Zubretsky
President & Chief Executive Officer

January 7, 2019

Cautionary Statement

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

This slide presentation and our accompanying oral remarks contain forward-looking statements regarding, without limitation, our business, operations, turnaround, plans, guidance, projections, and longer-term outlook within the meaning of 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. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995, and we are including this statement for purposes of complying with such safe harbor provisions. All statements, other than statements of historical facts, included in this presentation may be deemed to be forward-looking statements for purposes of the Securities Act and the Securities Exchange Act. Without limiting the foregoing, we use the words “anticipate(s),” “are confident,” “believe(s),” “estimate(s),” “expect(s),” “guidance,” “intend(s),” “may,” “outlook,” “plan(s),” “project(s) or “projection(s),” “will,” “would,” “could,” “should,” and similar expressions to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We cannot guarantee that we will actually achieve the plans, intentions, outlook, or expectations disclosed in our forward-looking statements and, accordingly, you should not place undue reliance on our forward-looking statements. Anyone viewing or listening to this presentation is urged to read the risk factors and cautionary statements found under Item 1A in our Form 10-K annual report, as well as the risk factors and cautionary statements in our quarterly reports and in our other reports and filings with the Securities and Exchange Commission and available for viewing on its website at sec.gov. Except to the extent otherwise required by federal securities laws, we caution you that we do not undertake any obligation to update forward-looking statements made by us.

Today's Agenda

Today's presentation will provide management's perspective on the following market misperceptions:

Misperception 1: Much of the profit improvement previously disclosed by Molina has been harvested in 2018

Misperception 2: At 2.4%, Molina's after-tax Medicaid margins have peaked

Misperception 3: Because Molina's current Marketplace margins are unsustainable, Marketplace profit declines are inevitable

Misperception 4: Once Molina's margins are restored and sustained, the company will be challenged to grow revenues

Molina: A Solid Start in 2018; Significant Opportunity for Future Growth

High quality 2018 earnings create a solid baseline for growth

	Revised Guidance on October 31, 2018[1]
Total Revenue	~ $18.8B
Medical Care Ratio ("MCR")[2]	~ 86%
Pre-Tax Margin	~ 4.7%
After-Tax Margin[3]	~ 3.2%
EBITDA[4]	$1,105M - $1,125M
EPS	$8.80 - $9.00

1. All amounts are estimates; actual results may differ materially. See the Company's risk factors as discussed in its 2017 Form 10-K and other reports and filings with the Securities and Exchange Commission, and the statements in this presentation after the heading "Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995"
2. Medical Care Ratio represents medical care costs as a percentage of premium revenue
3. After-Tax margin represents net income as a percentage of total revenue
4. See reconciliation of non-GAAP financial measures at the end of this presentation

MOLINA HEALTHCARE

Profit Improvement Opportunity

Profit Improvement Opportunity

Misperception 1: Much of the profit improvement previously disclosed by Molina has been harvested in 2018

Reality

2018 earnings benefited from early identifiable initiatives focusing on managed care fundamentals

Most of the more complex initiatives with high value are still in process

We have increased many of our initial profit improvement estimates

We are highly confident in our ability to harvest additional profit improvement

Profit Improvement Opportunity

Pre-tax improvement amount has significantly expanded, even with approximately $200M already harvested

Dramatically Increased Original Estimate | Increased Original Estimate | Similar to Original Estimate

	Margin Recovery Area	Original Midpoint Estimate	- Harvested Estimate	+ Revisions
Medical Costs	Utilization and High-Acuity Care Management	$90		Increased Original Estimate
	Pharmacy	$60		Dramatically Increased Original Estimate
	Provider Contracting	$100		Similar to Original Estimate
	Claims and Payment Integrity	$25		Dramatically Increased Original Estimate
	Sub-Total	**$275**	**$140**	Dramatically Increased Original Estimate
Admin Costs	Corporate SG&A	$125	$30	Similar to Original Estimate
Revenue	At-Risk Revenue	$100	$30	Dramatically Increased Original Estimate
	Total Estimate	**$500M**	**$200M**	**$250M**

~ $500M - $600M

Remaining Opportunity

~ $550M

Remaining at the Midpoint

After-Tax Medicaid Margins Can Improve

After-Tax Medicaid Margins Can Improve

Misperception 2: At 2.4%, Molina's after-tax Medicaid margins have peaked

Reality

Our Medicaid MCRs are 100 to 200 basis points higher than "best in class"

Some of our operating metrics in many of our plans are still "under market"

The remaining profit improvement described previously inures primarily to Medicaid

We assume a continued stable rate environment where rates are slightly lower than the medical cost trend

After-Tax Medicaid Margins Can Improve

There is substantial room for improvement to bring our current operating metrics in line with "best in class"

↑ Can Dramatically Improve ✓ Can Improve ★ Third-Party Partnerships Announced

Metrics We Have Targeted For Improvement

✓ Utilization
- Hospital Admissions
- ER Usage
- High-cost Outlier Cases
- Short Stays
- Observation Days

↑ Pharmacy ★
- Scripts Per 1,000 Members
- Specialty Rx Trend
- Formulary Management

↑ At-Risk Revenue ★
- Risk Score Data Capture
- Quality Scores
- HEDIS

↑ Payment Integrity
- Claim Editing
- Cost Avoidance
- Enhanced COB
- Post Payment Recovery

After-Tax Medicaid Margins Can Improve

By approaching "best in class" operating metrics, Molina's Medicaid MCR can improve by 100 - 200 basis points

Year to Date Pure Performance[(1)]

89.9%
Medical Care Ratio

2.4%
Medicaid After-Tax Margin

MCR and After-Tax Margin Opportunity

88-89%
Medical Care Ratio

2.8->3.0%
Medicaid After-Tax Margin

with Upside

Illustrative Model

Profit Improvement	~$550M
Medicaid Portion	~75%
Tax Rate	~25%
Trend/Yield Deficit	~1.5% - ~2.5%
Incremental After-Tax Impact Up To	~40 - ~100 bps

1. Pure performance excludes the impact of the retroactive California risk corridor adjustment

MOLINA HEALTHCARE

Marketplace Profit Dollars Can Grow

Recent ACA Court Ruling

Company perspective following the ruling

- ACA will remain in effect for 2019, and we expect that through appeals process ACA will remain in effect in its present form thereafter

- Given strong consensus that recent ruling will not survive on appeal, it is premature to comment on potential impacts to our business

- The ruling does not change our previously outlined strategy

Marketplace Profit Dollars Can Grow

Misperception 3: Because Molina's current Marketplace margins are unsustainable, Marketplace profit declines are inevitable

Reality

For Molina, the adjustment to our reported MCR for federal purposes is securely above the minimum

Our future profitable years do not rely on prior unprofitable years to protect their MCR floor

A margin decline, if one occurs at all, will be due to competitive pressures and growth, not the MCR floor

Marketplace profit dollars can grow off the 2018 base on revenue gains over the next number of years

Marketplace Profit Dollars Can Grow

Illustrative full year 2018 Marketplace pure performance financial metrics

	Full Year Pure Performance Normalized for HIF and Taxes[1,2]
Premium Revenue (Net of Risk Adjustment)	~ $1.8B
Medical Care Ratio ("MCR")	~ 70%
Pre-Tax Income	~ $245M
SG&A Ratio	~ 17%
After-Tax Income	~ $180M
After-Tax Margin %	~ 10%

Our Marketplace is Unique

- 5th largest Marketplace plan
- ~30% of full year EBITDA
- Extension of Medicaid
- Network priced off Medicaid rates
- Specialized broker channel serving working poor
- ~20% full subsidy
- ~70% partial subsidy
- ~5% market share

1. Pure performance excludes the impact of the 2017 Marketplace risk adjustment and CSR subsidies
2. Excludes the impact of the Health Insurance Fee (HIF) and utilizes a tax rate of ~25% for comparative purposes

Marketplace Profit Dollars Can Grow

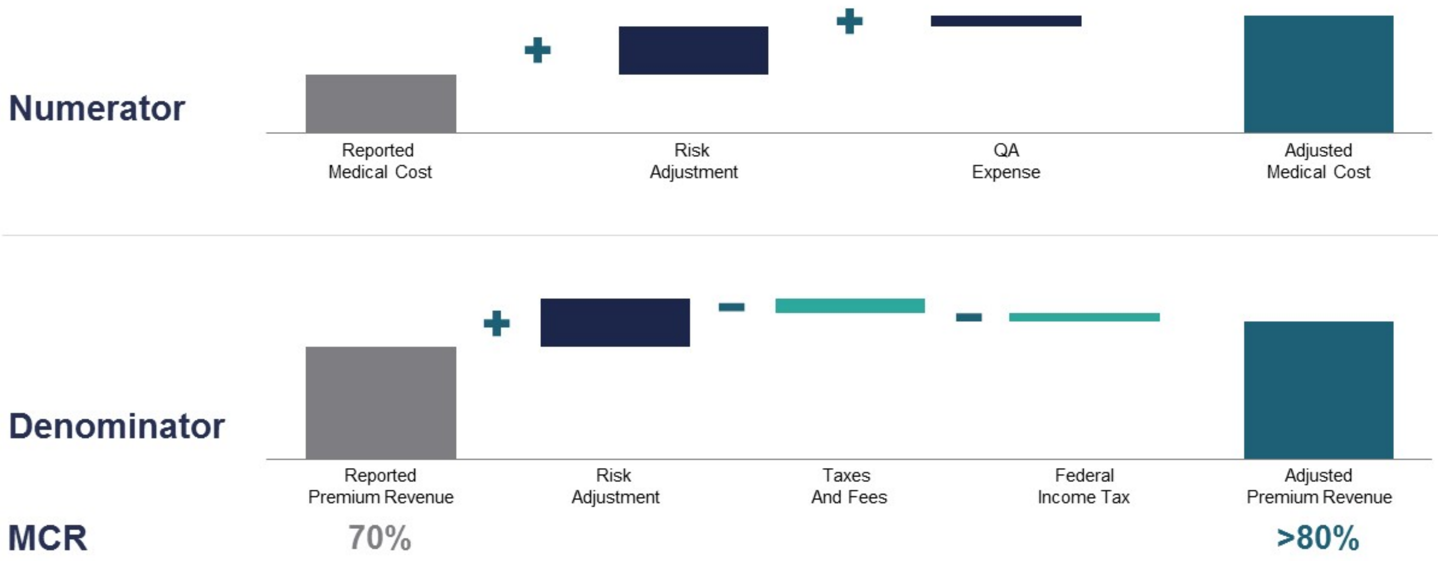
Our reported MCR for federal purposes is securely above the 80% federal minimum

~70%
Approximate Marketplace Full Year MCR

80-82%
Approximate MCR under Federal Rules

Marketplace Profit Dollars Can Grow

Federally prescribed adjustments to reported amounts place us securely above the minimum with room to spare



Marketplace Profit Dollars Can Grow

Marketplace earnings growth scenario analysis (pure performance)

	Scenario 1: Margin Optimization Premium Revenue +40%	Scenario 2: Market Share Gain Premium Revenue +90%
Premium Revenue (Net of Risk Adjustment)	~ $2.6B	~ 3.6B
Medical Care Ratio (MCR)	~ 73%	~ 75%
SG&A Ratio	~ 17%	~ 17%
Pre-Tax Income	~ $285M	~ $310M
After-Tax Income	~ $215M	~ $235M
After-Tax Margin %	~ 8%	~ 6%

2018 After-Tax Income
~$180M

2019 Marketplace Membership Update

We remain very competitive with an excellent foundation for future growth despite our conservative rating strategy

Marketplace Enrollment

Year End 2018

~360K

January 2019[(1)]

~375K

- Filed rates in April 2018, before the profitability of the 2018 business was certain
- Conservatively filed a 4% rate increase on average and on top of profitable 2018 rates; margin over membership
- We remain competitive in most geographies
- We expect the business to grow off this base in 2020

1. Approximate enrollment as of January 4, 2018. California open enrollment continues through January 15, 2019 and the payment grace period may cause this number to change

Molina Can Grow Revenues

Molina Can Grow Revenues

Misperception 4: Once Molina's margins are restored and sustained, the company will be challenged to grow revenues

Reality

The existing business portfolio is ripe with near term revenue opportunities ready to harvest

The longer term growth engine is currently being built

The new management team has bid successfully in the last three procurements

The growth potential in our product segments is significant and we have the ability to maintain and expand market share

Molina Can Grow Revenues

Near-term growth opportunities in existing portfolio create more than $1.0 billion of revenue lift into 2019

Mississippi
Medicaid startup, full year membership and CHIP award

Illinois
Full year membership from statewide expansion and competitor enrollment freeze

Idaho
Fully Integrated Dual Eligible (FIDE) SNP membership growth as program expands

Florida
Retention of regions and continued Medicaid presence worth ~$500 million

Ohio
Full year behavioral health carve-in

Washington
Membership reprocurement growth, offset by Rx carve-out, and BH carve-in

Utah and Wisconsin
Re-entry into the Marketplaces

Puerto Rico
Received top score in island-wide reprocurement

Molina Can Grow Revenues

RFP capture abilities are being built and enhanced for longer-term opportunities

RFP Process

- Hired new RFP leadership in late 2018
- Redesigned entire RFP process
- Deeply engaged executive management team at all phases of the RFP process
- Recent successes: Washington, Puerto Rico, Mississippi CHIP
- Pending awards: Texas STAR PLUS, STAR and CHIP (high degree of confidence)

Business Development

- Highly skilled new health plan leadership team in place
- New business development leader hire in process
- Local "ground game" being strategically developed in prospective RFP markets
- Developing deep, targeted insights into priorities and issues in key target markets

Molina Can Grow Revenues

Government segments are the largest and fastest growing within healthcare

Government Sector Managed Care Spending Growth (2016 - 2021 CAGR)

Medicaid	**Duals**
8.0%	7.0%
Medicare	**Marketplace**
8.5%	4.0%

Drivers of Government Sector Growth

Medicaid

- Underlying population growth
- Medicaid expansion growth and increasing coverage/benefits

Duals

- Growing aging population
- Increased Medicaid coverage and integration between Medicaid and Medicare

Medicare

- Growing aging population
- Enhanced product value driven by strong government support

Marketplace

- Government subsidies
- Relative cost effectiveness of alternatives

Source:
NHE, Medicaid OACT, Medicaid.gov, Medicare Trustees, CMS, CBO, AHIP, MedPAC, NAIC

Molina Can Grow Revenues

Longer term, there are significant embedded opportunities within our existing portfolio

- Higher Penetration in Current Geographies
- Expansion into Adjacent Geographies
- Benefit Carve-Ins and New Products
- New State RFPs

Core Drivers

- Underpenetrated state market share in Medicaid
- Redetermination and reenrollment management
- Launch additional products in over 400 Medicaid only counties
- $30 billion of Medicaid revenue is expected to be procured in next 3 years

Opportunities

- TX STAR PLUS and DSNP
- Marketplace and/or Medicare expansion in IL, SC, MS, and PR
- Medicaid expansion in MS, UT
- IL, and OH LTSS carve-in
- MI BH opportunity

Key Takeaways from Today's Presentation

1. Significant profit improvement opportunities remain post 2018 performance
2. We have a path to achieve after-tax Medicaid margins in the 2.5 to 3.0% range with upside
3. Our Marketplace business has multiple paths to allow us to achieve growth in profits
4. Molina's near and long term revenue opportunities are attractive and we are well-positioned to pursue them

Thank you

Appendix

Appendix

Non-GAAP Reconciliation of EBITDA

(in millions)	2018 Guidance Low End	2018 Guidance High End
Net Income	$585	$600
Adjustments:		
Depreciation, and amortization of intangible assets and capitalized software	120	120
Interest Expense	115	115
Income Tax Expense	285	290
EBITDA	1,105M	1,125M