

**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): September 17, 2021 (September 17, 2021)

MOLINA HEALTHCARE, INC.

(Exact name of registrant as specified in its charter)

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

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

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

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

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

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

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

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

Emerging growth company

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

Item 7.01. Regulation FD Disclosure.

On September 17, 2021, the Company presented and webcast certain slides as part of the Company's presentation at its Investor Day Conference. The slide presentation included forward looking statements regarding, without limitation, the Company's 2021 guidance, its 2022 premium revenue and revenue growth strategy, its long term financial targets and margin outlook, the COVID pandemic, COVID risk sharing corridors, future RFPs and re-procurements, mergers and acquisitions, Medicaid redeterminations, and the Company's general business plans. The Company cannot guarantee that it will actually achieve the plans, outlook, or expectations described in such statements. 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 live webcast of the Company's Investor Day presentation will be available for 30 days from the date of the presentation at the Company's website, www.molinahealthcare.com. The information contained in such websites is not part of this current report.

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

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits:

Exhibit No.	Description
99.1	Slide presentation given at the Investor Day Conference of Molina Healthcare, Inc. on September 17, 2021.
104	Cover Page information from Molina Healthcare, Inc.'s Current Report on Form 8-K filed on September 17, 2021 formatted in iXBRL (Inline Extensible Business Reporting Language).

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: September 17, 2021

By: /s/ Jeff D. Barlow
Jeff D. Barlow
Chief Legal Officer and Secretary



Investor Day 2021 Sustaining Profitable Growth

September 17, 2021

Sustaining Profitable Growth

	Topic	Speaker
8:30am	Welcome and Logistics	– Ron Kurtz
8:35am	Sustaining Profitable Growth	– Joe Zubretsky
9:30am	Compelling Financial Profile	– Mark Keim
10:00am – 10:45am	Executive Q&A	– Joe Zubretsky – Mark Keim

Cautionary Statement

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

This presentation and the accompanying oral remarks include forward-looking statements regarding, without limitation, the Company's 2021 guidance, its 2022 premium revenue and revenue growth strategy, its long-term financial targets and margin outlook, the COVID pandemic, COVID risk sharing corridors, future RFPs and re-procurements, mergers and acquisitions, Medicaid redeterminations, and the Company's general business plans. The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward looking statements contained in the Private Securities Litigation Reform Act of 1995. Readers and listeners are cautioned not to place undue reliance on any forward-looking statements as forward-looking statements are not guarantees of future performance, and the Company's actual results may differ materially due to numerous known and unknown risks and uncertainties. Those risks and uncertainties are discussed under Item 1A in the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, and also in the Company's quarterly reports, current reports, and other reports and filings with the Securities and Exchange Commission, or SEC. These reports can be accessed under the investor relations tab of the Company's website or on the SEC's website at www.sec.gov. All forward looking statements in this presentation represent management's judgment as of September 17, 2021, and, except as otherwise required by law, the Company disclaims any obligation to update any forward-looking statements to conform the statement to actual results or changes in its expectations..



Sustaining Profitable Growth

Joe Zubretsky
President and Chief Executive Officer

Sustaining Profitable Growth



Long-Term Financial Targets



The Profitable Growth Playbook



Our Value Creating Franchise



Winning Leadership Model



Attractive Government Managed
Care Market



Value Creation Dynamics

Long-Term Financial Targets

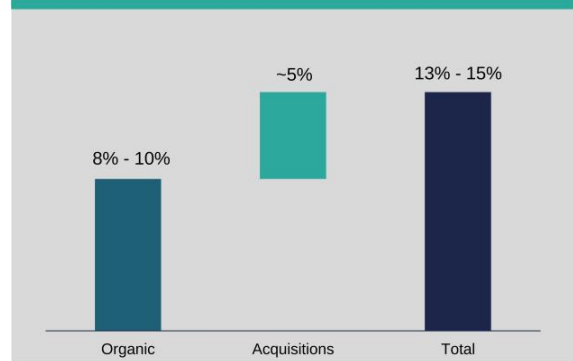
Long-Term Premium Revenue Growth

Strong organic growth opportunities off of 2022 outlook, complemented by disciplined acquisition strategy

Organic Growth

Medicaid	8% - 10%
Medicare	11% - 13%
Marketplace	5% - 8%
Weighted Total	8% - 10%

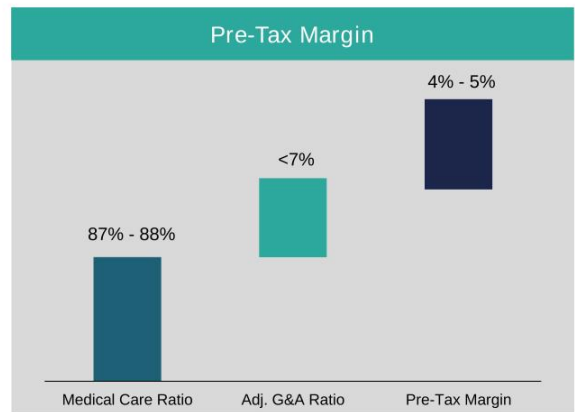
Total Growth



Long-Term Margin Outlook

Continued margin management will drive net income growth

Medicaid	88% - 89%
Medicare	87% - 88%
Marketplace	78% - 80%
Weighted Total	87% - 88%



Total Company Long-Term Outlook

Strong revenue and earnings growth off of 2022 outlook, enhanced by operating leverage and share repurchases

Premium Revenue Growth	13% - 15%
Hedge to Margins / Operating Leverage	0% - 1%
Net Income Growth	13% - 16%
Share Repurchases	~2%
EPS Growth	15% - 18%

Investment Thesis

Strong growth, sustained margins and disciplined capital management form the core of shareholder return



Legacy and new market opportunities



Capital efficiency and cashflow generation



Double digit revenue growth



High return capital deployment



Attractive margins and operating leverage



Proven management team



Our Value Creating Franchise

Franchise

Leading pure-play, government-sponsored managed care company with breadth and scale

**FORTUNE
500**



155
Ranking

>\$27B
Total Revenue
2021E

4.7M
Members
2Q21

18
States
2021

3
Products
Medicaid,
Medicare
and Marketplace

Mission

We improve the health and lives of our members by delivering high-quality health care

Molina provides access to high-quality government sponsored healthcare



The icons in this block include a person in a wheelchair, a medical cross, a stethoscope, and a building with a star on its roof, symbolizing government-sponsored healthcare and accessibility.

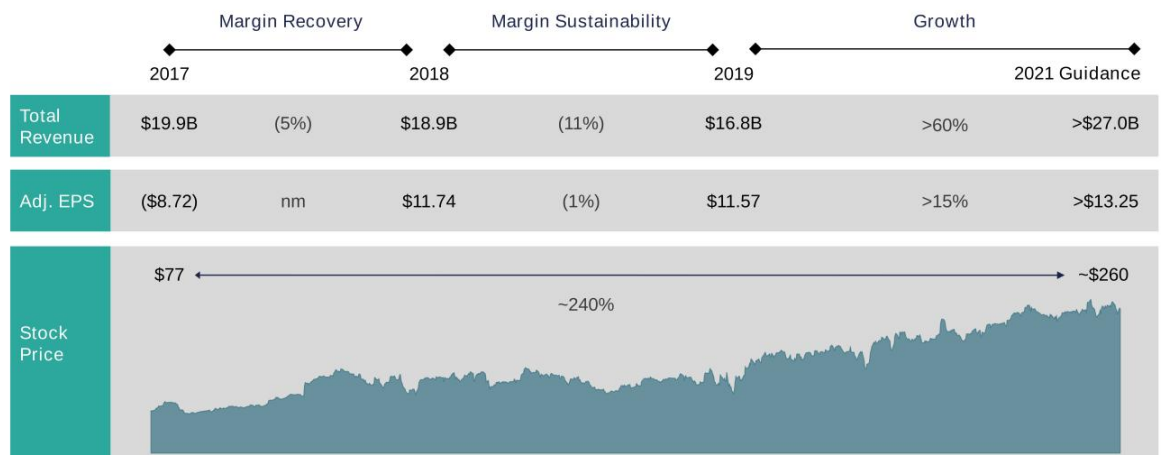
Our mission is balanced among all those we serve



The icons in this block represent four stakeholder groups: Members (three people), Shareholders (a document with a gear), Government Agencies (a classical building), and Employees (a group of people).

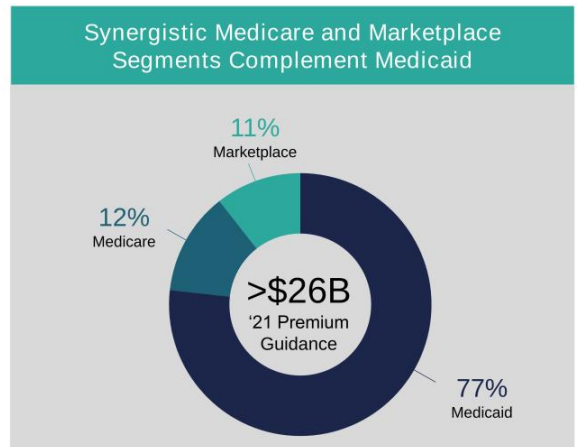
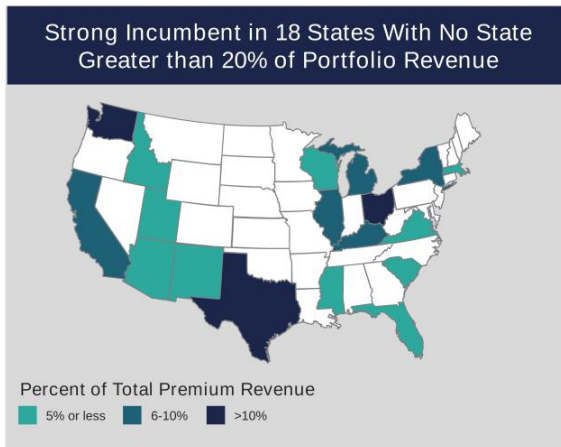
Transformation

Our transformation has driven strong growth in revenue, EPS and shareholder return



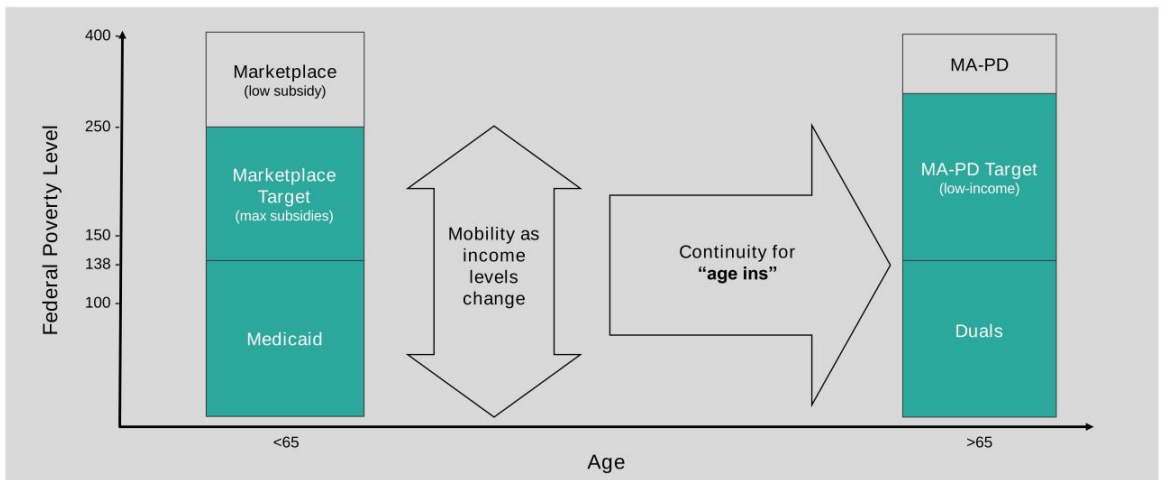
Portfolio

Geographically diversified government-services portfolio with strong segment synergies



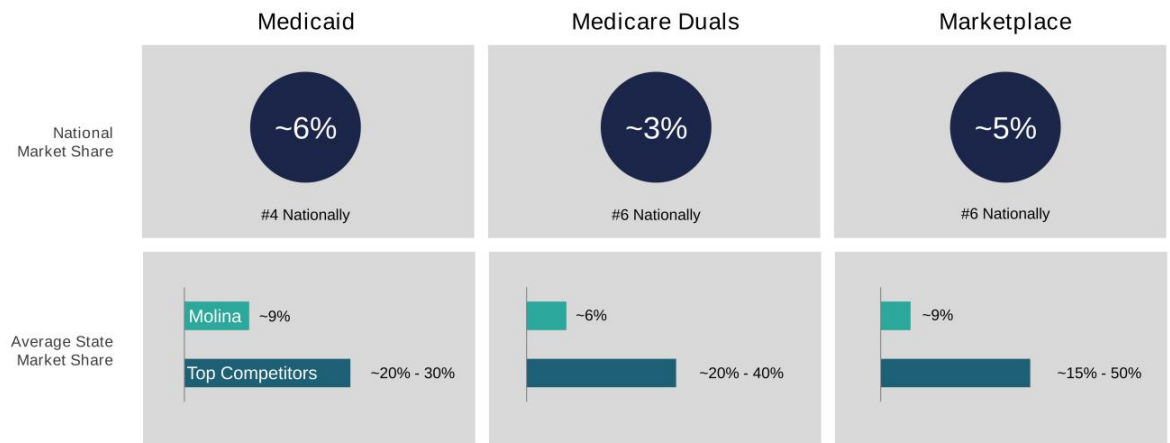
Portfolio Synergies

Synergistic product segments provide member continuity and leverage common capabilities



Market Share Upside Opportunity

National franchise with significant local market opportunity in all segments



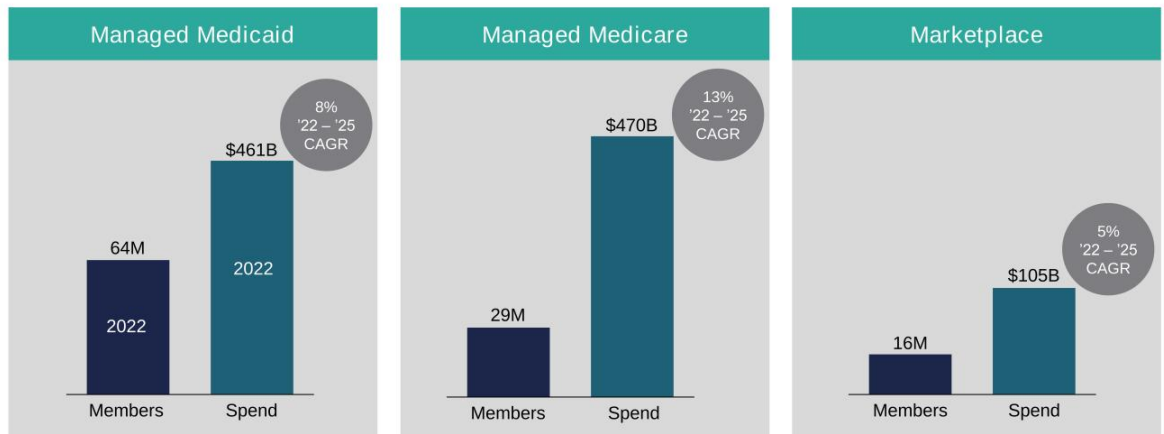
Sources: Health Management Associates, State-reported data, CMS and Decision Resources Group



Attractive Government Managed Care Market

The Government Managed Care Market

Our addressable markets exceed \$1T in spend with high growth



Sources: CMS Medicaid Actuarial Report, NHE, KFF, HHS and Urban Institute

Political / Regulatory Environment

Political and regulatory environment provides favorable conditions for all segments

	Medicaid	Medicare	Marketplace
Executive Orders	Revoked Medicaid work requirements	PHE continues telehealth flexibility increasing access	Agencies halt sale of limited duration/non-ACA compliant plans
Legislation	ARP provides FMAP incentives for remaining states to expand Medicaid	Sequestration extends through 2021, boosting premiums	ACA premium subsidies increase for 2021 and 2022
Regulation	Rating rules tighten actuarial soundness requirements for quality withholds	CMS direct contracting opportunities	NBPP helps Medicaid enrollees transition easily to Marketplace after the PHE ends

Medicaid Rate Environment

Core rates are expected to remain actuarially sound with many COVID risk sharing corridors expiring

Core Rates

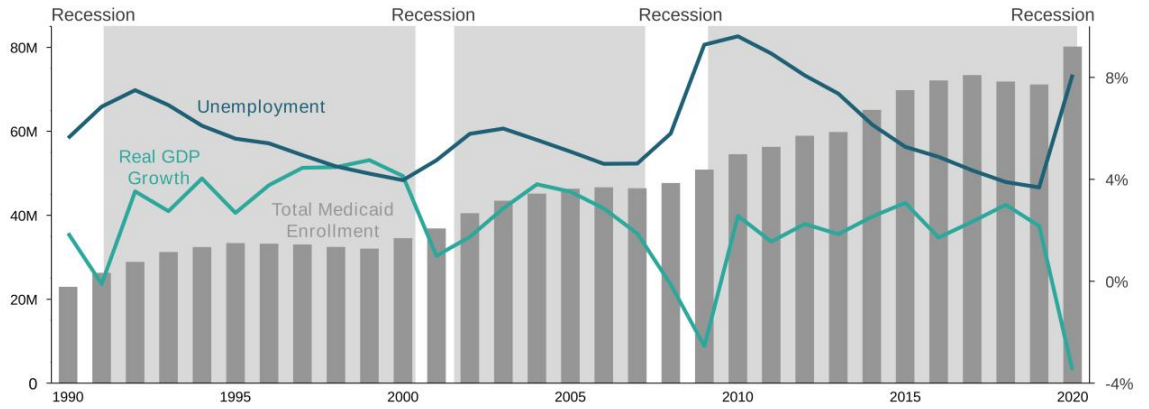
- Prospective rate setting in return to traditional methodology
- Clear visibility on 2022 rates for 25% of premium revenue
- Rates reflect pre-COVID baseline trended forward and are actuarially sound

COVID Risk Sharing Corridors

- COVID risk sharing corridors in many states through 2021
- Corridors expected to end with PHE
- Corridors already expired in CA, NY, SC, and MI for 2022 fiscal years

Economic Recovery Trends

Medicaid enrollment increases with economic downturns, continually growing without returning to previous levels



Sources: CMS, BLS, MACPAC and KFF

The Profitable Growth Playbook

Medicaid / Medicare / Marketplace / M&A / Margin Profile

Medicaid

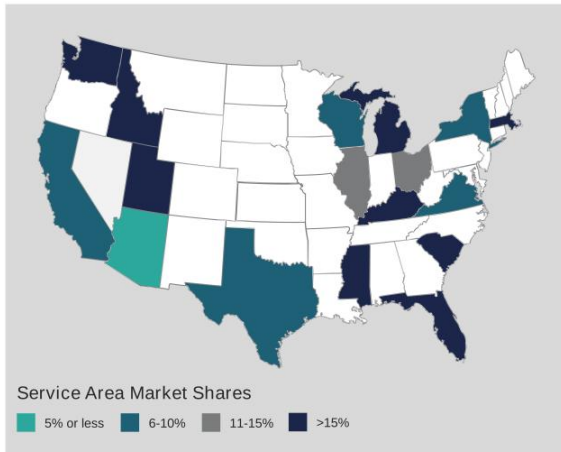
Medicaid Long-Term Organic Growth

Long-term organic growth rate of 8%-10% driven by current footprint and strategic initiatives



Increase Market Share

Retain existing contracts and focus on fundamental operating tactics to drive significant market share opportunity



Actions

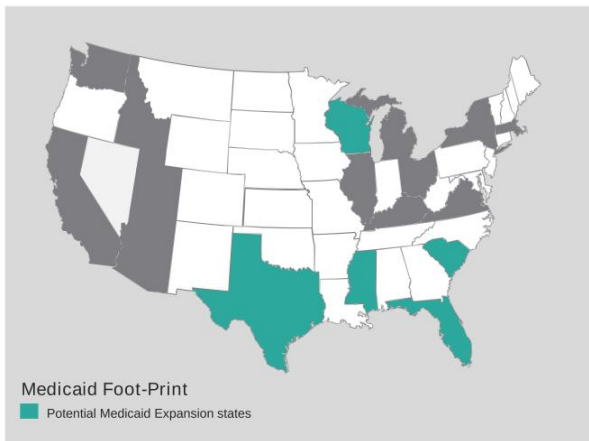
- Engage membership redeterminations proactively
- Engage providers to drive membership
- Increase auto assignment through improved quality scores
- Drive voluntary enrollment through community presence and awareness

1%
Increase in Service Area
Market Share

~\$1.6B
2025 Revenue Opportunity

Grow with Potential Expansion States

Opportunity in five incumbent states represents ~3 million additional Medicaid managed care lives

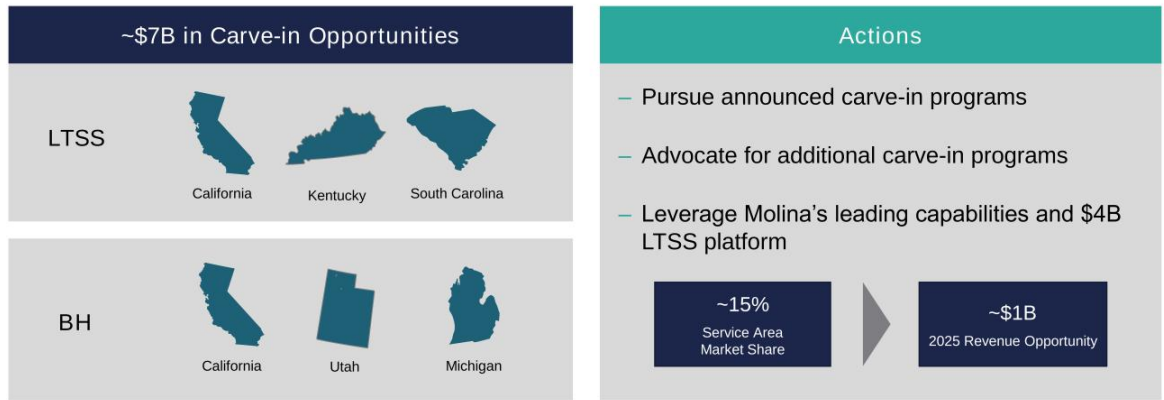


Source: KFF, state filings and Company estimates



Pursue Carve-in Opportunities

Numerous pending LTSS and BH carve-in opportunities as states leverage managed care efficiency



Sources: CMS and Company estimates

New State RFP Pipeline

New state procurement opportunities total ~\$95 billion in annual premium revenue by 2025



Prioritizing Opportunities

Significant RFP opportunities drive incremental long-term revenue growth

Key Criteria		Sizing the Opportunity	
1	Size and duration of contract	2025 total RFP opportunity	~\$95B
2	Strength of incumbents	Pursue subset of opportunities	~40%
3	Number of awardees	Projected competitive win rate	~50%
4	Access to high-quality low-cost network	Projected market share	~20%
5	Rational rate environment	2025 Molina revenue opportunity	~\$4B

Nevada RFP Win

Recently announced Nevada RFP award demonstrates continued success in new states



On August 17th, Molina announced award of new state Medicaid contract in Nevada

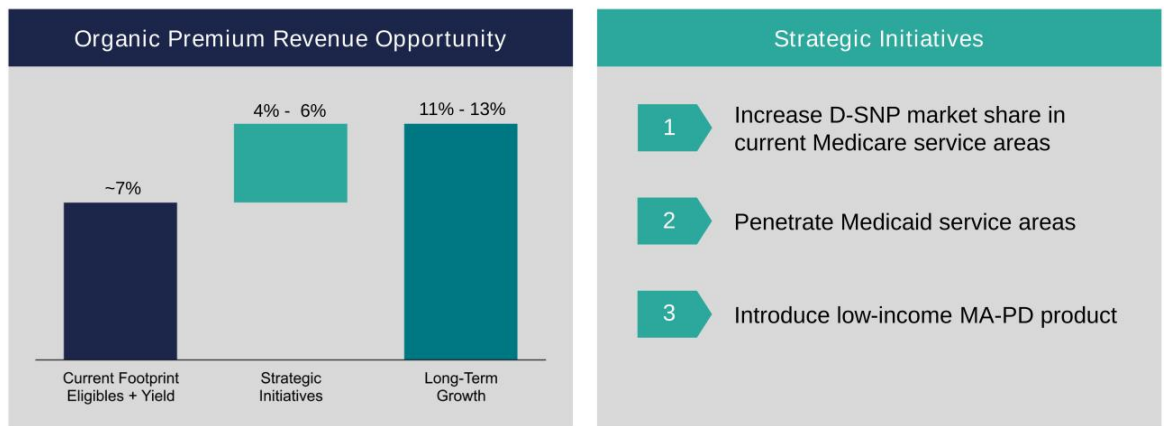
- Award covers beneficiaries through TANF, CHIP and Medicaid expansion programs
- Four-year contract term with potential two-year extension
- Future opportunities in LTSS and ABD
- Strong ground game and innovative differentiation drove success



Medicare

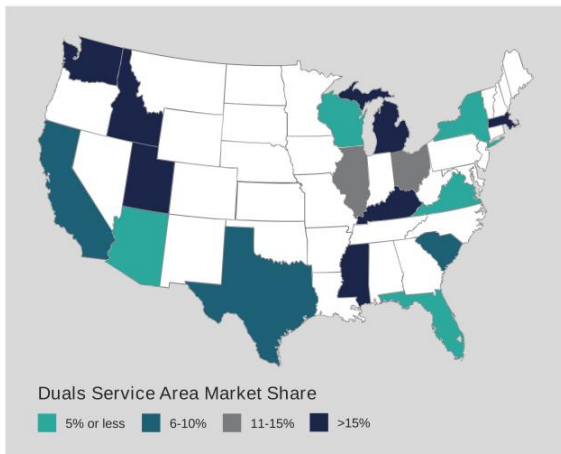
Medicare Long-Term Growth

Long-term organic growth rate of 11%-13% driven by current footprint and strategic initiatives



Increase D-SNP Market Shares in Current Medicare Service Areas

Fundamental operating tactics drive significant market share opportunity



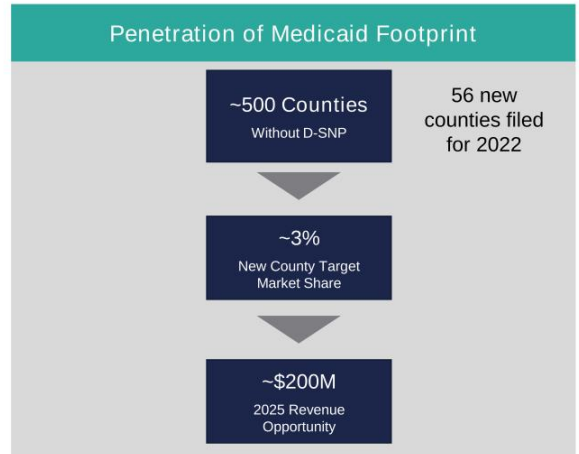
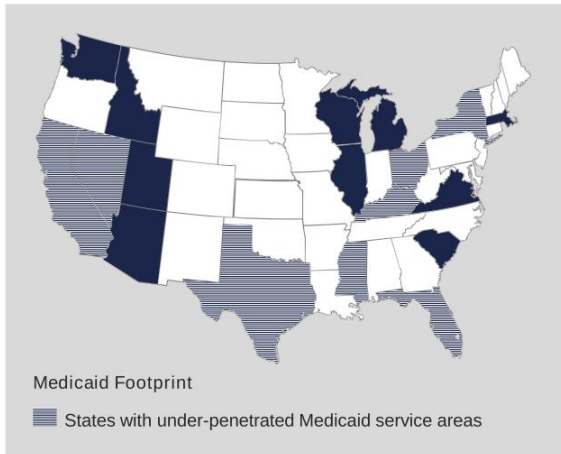
Actions

- Expand direct sales channels
- Deepen targeted broker relationships
- Develop key provider relationships
- Improve retention through member engagement



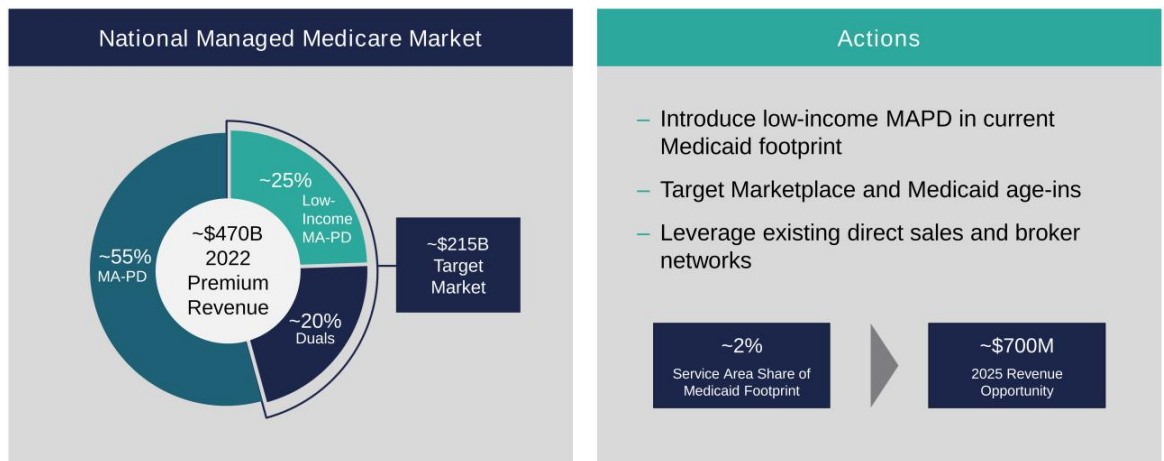
Penetrate Medicaid Service Areas

D-SNP penetration of remaining Medicaid footprint provides significant opportunity



Introduce Low-Income MA-PD Products

Low-income MA-PD products double Molina's market opportunity in Medicare

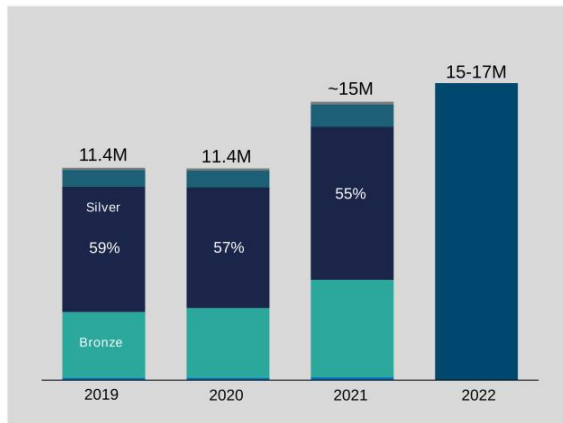


Sources: CMS and Company estimates

Marketplace

Strong 2021 Market Growth

Increased subsidies through ARP drove strong growth in 2021 with future growth rate expected to moderate



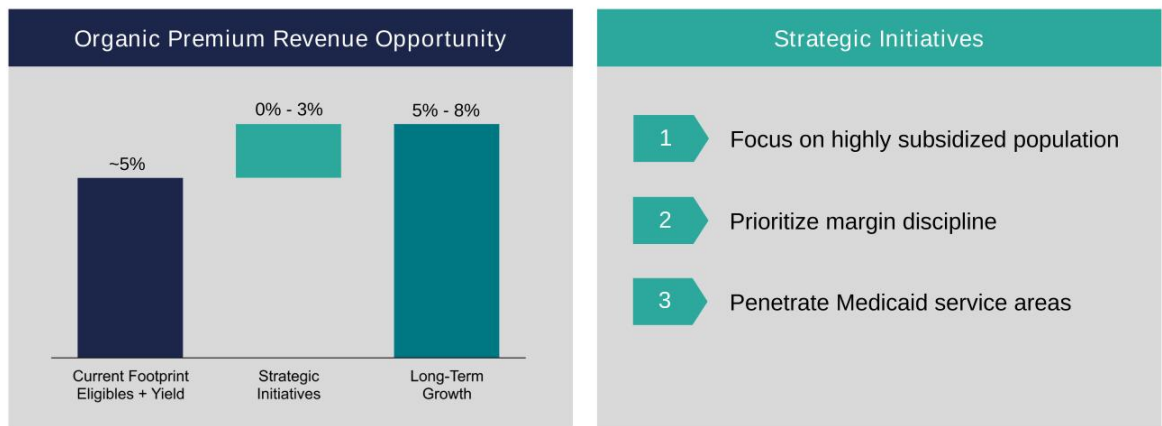
Market Dynamics

- More members are now eligible for zero-dollar silver plans
- Subsidy eligible population expanded through elimination of 400% FPL “cliff”
- Special enrollment period extended window for additional sign-ups
- Continuation of higher subsidies beyond 2022 currently under legislative review

Source: CMS, Urban Institute and HHS

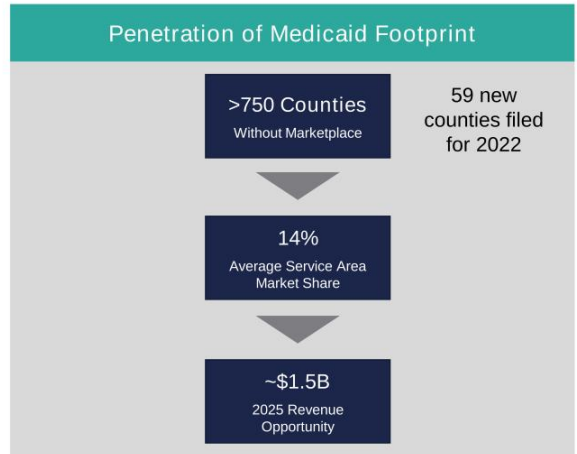
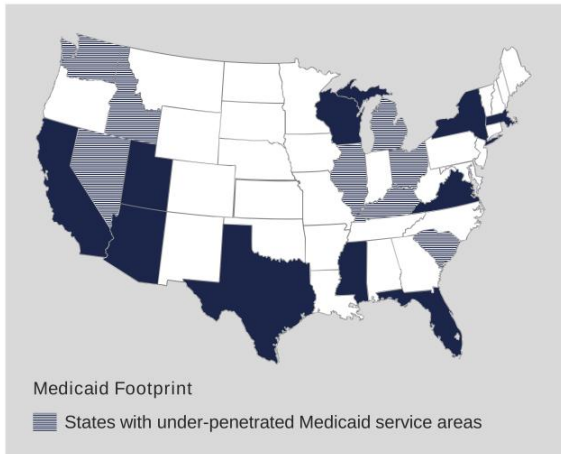
Marketplace Long-Term Growth

As a smaller complement to Molina's core Medicaid franchise, Marketplace margin discipline will be prioritized over volume



Penetrate Medicaid Service Areas

Marketplace penetration of remaining Medicaid footprint provides significant revenue opportunity, balanced with margin discipline



M&A

Our M&A Platform

M&A is a key element of our long-term premium growth outlook

1

Ample excess cash flow to deploy for acquisitions

4

Previously announced purchase prices are highly capital efficient

2

No need to access equity markets

5

Underperforming properties yield “sweat equity” accretion

3

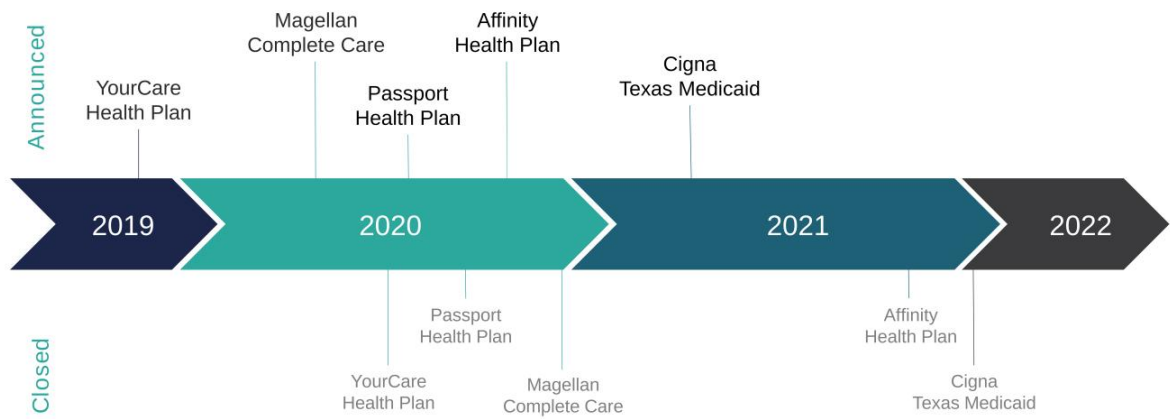
M&A generally more accretive than new procurement economics

6

Expert integration teams

Acquisition History

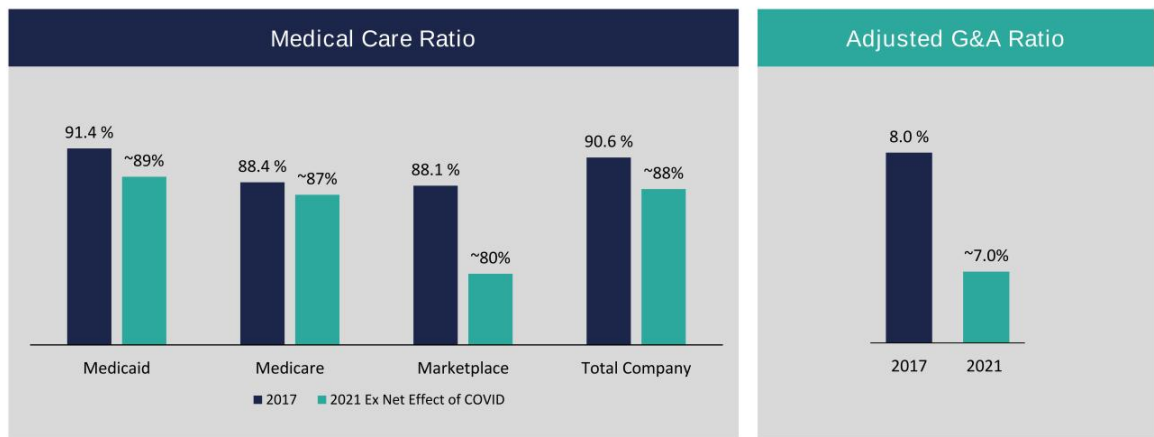
Five transactions totaling ~\$8 billion of run-rate revenue sequenced for manageable integration



Margin Profile

Margin Management Performance

Strong MCR and G&A management programs continue to drive attractive margins



Medical Cost Management

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

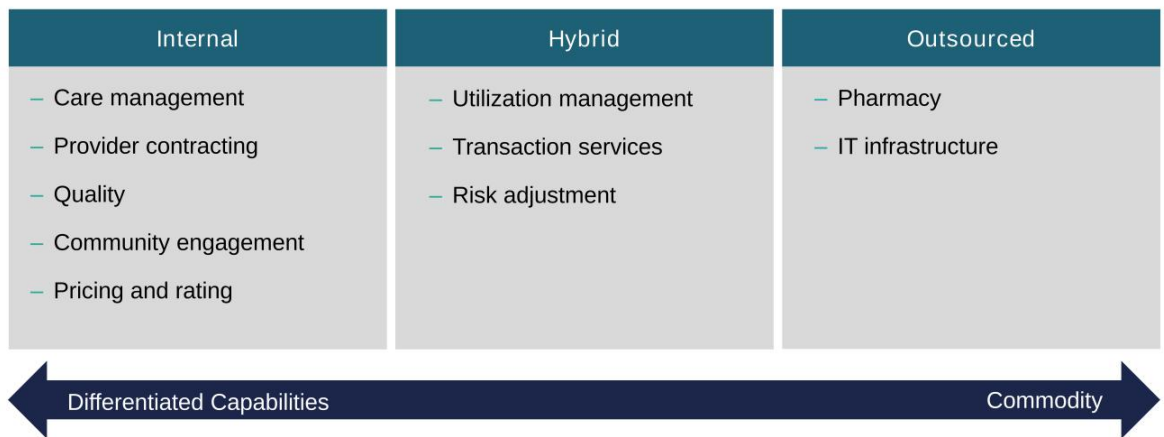


Operating Focus

- Implemented state-of-the-art medical economics platform
- Centralized utilization management
- Enhanced high acuity care management
- Created Centers of Excellence for Behavioral, Rx and LTSS
- Focused on core technology, automation and quality

Optimal Operating Platform

Fully integrated blend of proprietary and best-of-breed partners provides winning combination

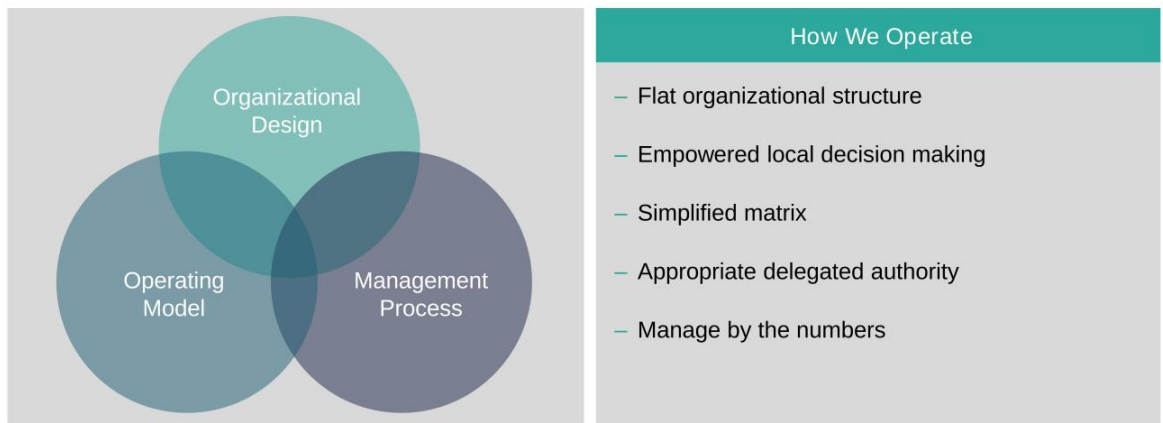




Winning Leadership Model

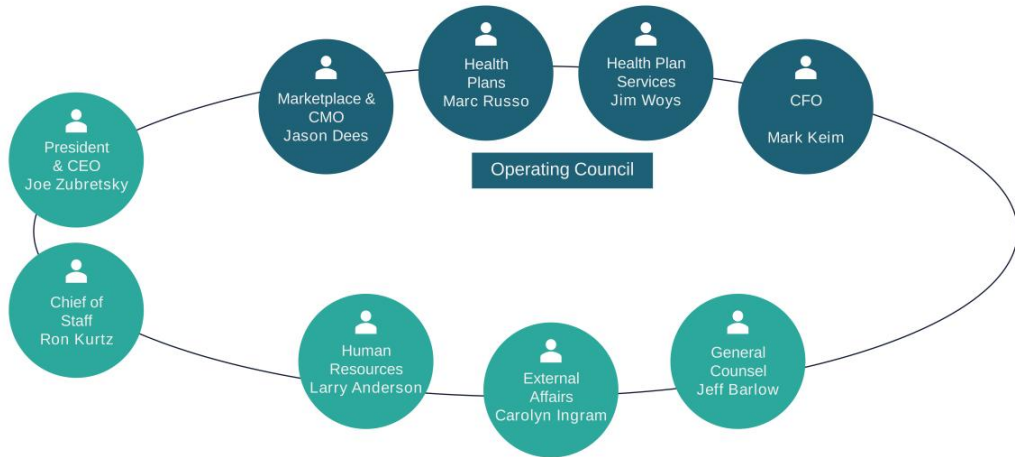
Proven Operating Model

While fairly traditional, our operating model and management process are executed with rigor and discipline



Executive Team

Proven industry-leading team with over 20 decades of experience. Operating Council acts as a virtual COO





Value Creation Dynamics

Value Creation Dynamics

Highly efficient capital generation and deployment model creates significant value

Organic	Acquisitions	Enterprise
<ul style="list-style-type: none"> – Strong market growth trends – Numerous strategic initiatives – Capitalized at <10% of revenue – Low volatility 	<ul style="list-style-type: none"> – Numerous pipeline opportunities – Announced acquisitions at attractive valuations – Turnaround opportunities drive strong EPS accretion 	<ul style="list-style-type: none"> – Cost structure yields significant operating leverage – High conversion of net income to cash flow – Attractive capital redeployment opportunities
<p>8% - 10% revenue growth ~60% levered ROE</p>	<p>~5% revenue growth ~20% levered ROE</p>	<p>13% - 15% revenue growth 15% - 18% EPS growth</p>

Investment Thesis

Strong growth, sustained margins and disciplined capital management form the core of shareholder return



Legacy and new market opportunities



Capital efficiency and cashflow generation



Double digit revenue growth



High return capital deployment



Attractive margins and operating leverage



Proven management team



Compelling Financial Profile

Mark Keim
Chief Financial Officer

Compelling Financial Profile



Strong Capital Foundation



G&A Expense Management



Capital Deployment Discipline



2021 Guidance



Attractive Acquisition Metrics



2022 and Long-term Outlooks

Strong Capital Foundation

Strong balance sheet provides foundation for stability and growth

2Q21 Credit Stats		Reserve Strength	
Net Debt to EBITDA Ratio	1.7x	Reserves at 6/30/21	\$2.9B
Net Debt / Capitalization	~43%	Days in Claims Payable	48 Days
Revolver Capacity	\$1B		

Current Acquisition Capacity		Recurring Parent Cash Flow	
Parent Company Cash	~\$400M	Dividends to Parent	~\$700M
Debt Capacity	~\$1B	Incremental Debt Capacity	>\$700M
Total Deployable Capital	~\$1.4B	Annual Cash Flow Capacity	>\$1.4B

Capital Deployment Discipline

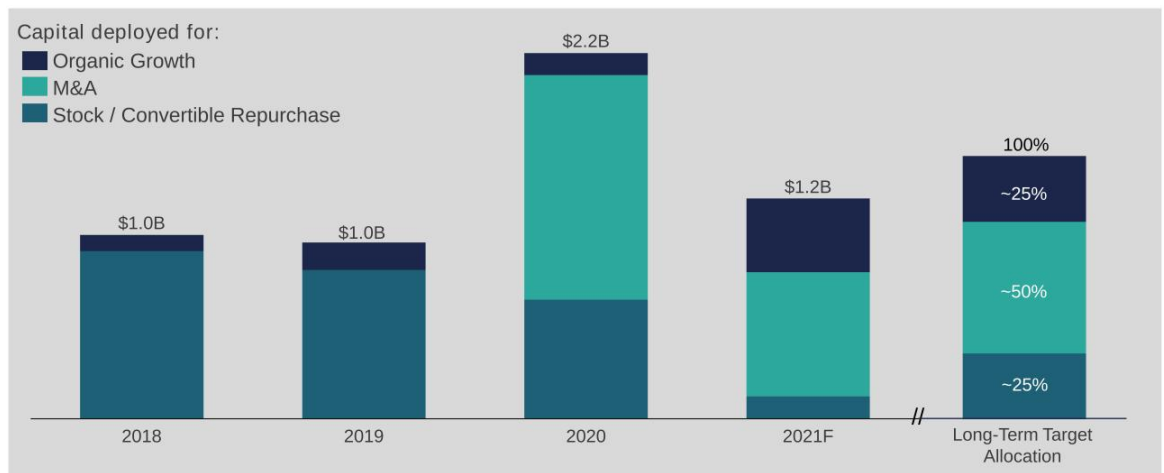
Capital deployed to highest return opportunities

EPS Accretion

 <p>Re-invest in Business</p>	<ul style="list-style-type: none">– Organic growth is the highest priority– Most efficient use of capital to grow– All lines of business are high growth	
 <p>Accretive Acquisitions</p>	<ul style="list-style-type: none">– Robust pipeline– Disciplined approach– Strategic fit, operational synergies and EPS accretion	
 <p>Return to Shareholders</p>	<ul style="list-style-type: none">– Convertible debt retired– Share repurchases	

Capital Deployment History

Demonstrated record of capital management enhances shareholder value



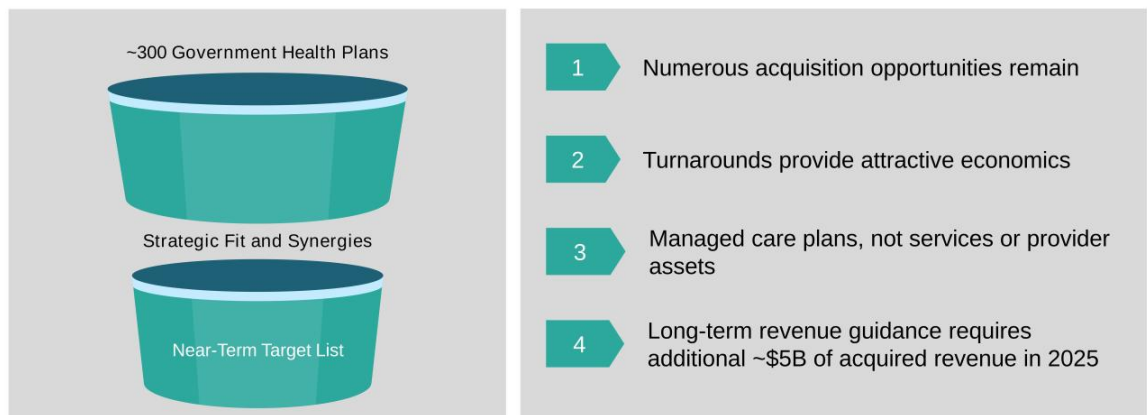
Attractive Acquisition Metrics

Announced acquisitions at attractive valuations drive strong EPS accretion

Target	Acquired Revenue (\$ M)	Purchase Price		Run Rate EPS Impact
		Announced Price (\$ M)	% of Revenue (Including Capital)	
YourCare Health Plan	\$300	\$40	21%	\$0.20
Magellan Complete Care	\$2,900	\$820	28%	\$1.75
Passport Health Plan	\$2,000	\$66	11%	\$0.35
Affinity Health Plan	\$1,600	\$380	28%	\$0.60
Cigna's Texas Medicaid	\$1,000	\$60	15%	\$0.50
Total	\$7,800	\$1,366	22%	>\$3.00

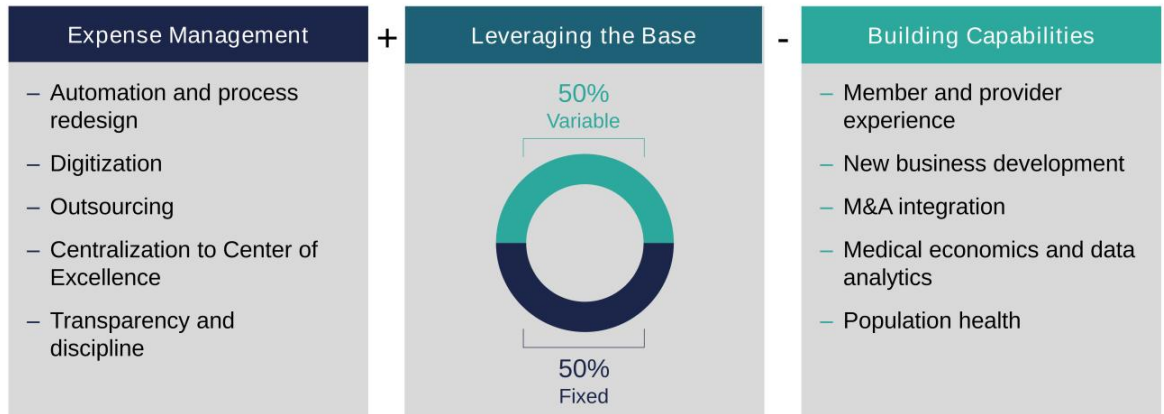
Acquisition Pipeline

Acquisition pipeline remains robust with many remaining opportunities



G&A Expense Management

Continued expense management and positive operating leverage fund investments while reducing G&A ratio



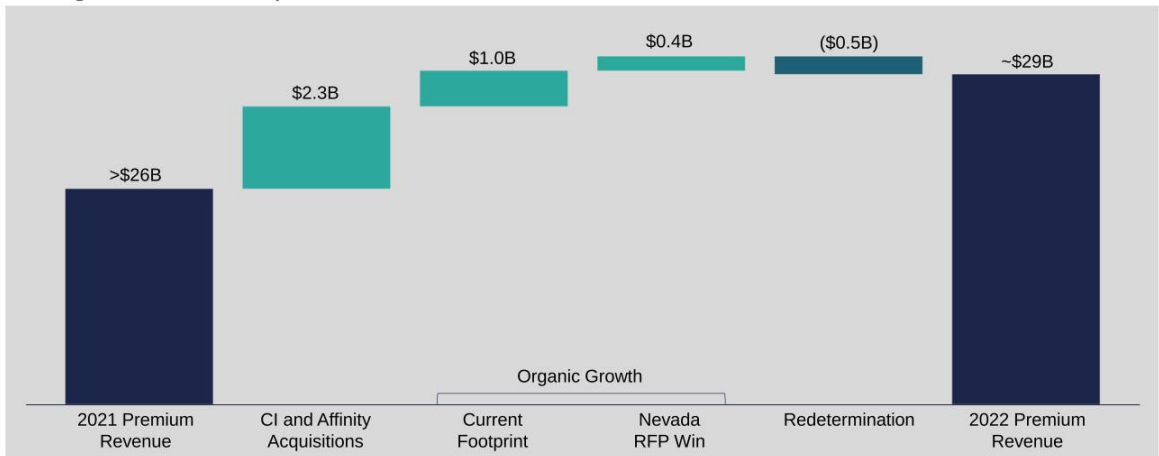
Full-Year 2021 Guidance

Reiterating adjusted EPS of no less than \$13.25 on higher revenue and underlying earnings power offset by higher expected net effect of COVID

Guidance		Embedded Earnings Power	
Total Revenue	>\$27 B	Net Effect of COVID	~\$3.00
Premium Revenue	>\$26 B	Medicare Risk Scores	\$1.00
Adjusted EPS	no less than \$13.25	Acquisitions at Portfolio Margin	\$2.00
		Total	~\$6.00

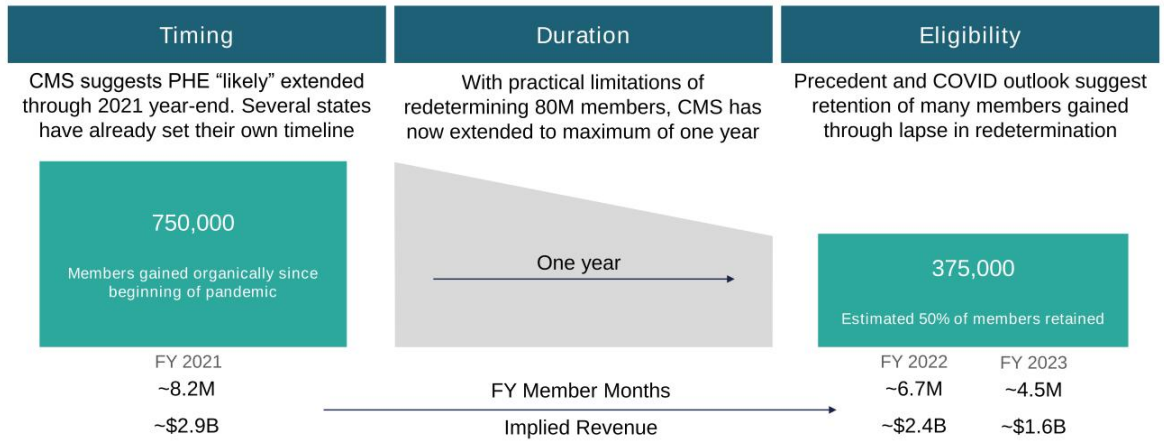
Initial 2022 Premium Revenue Outlook

2022 premium revenue growth outlook of 12% before Marketplace enrollment changes and additional strategic initiatives / acquisitions



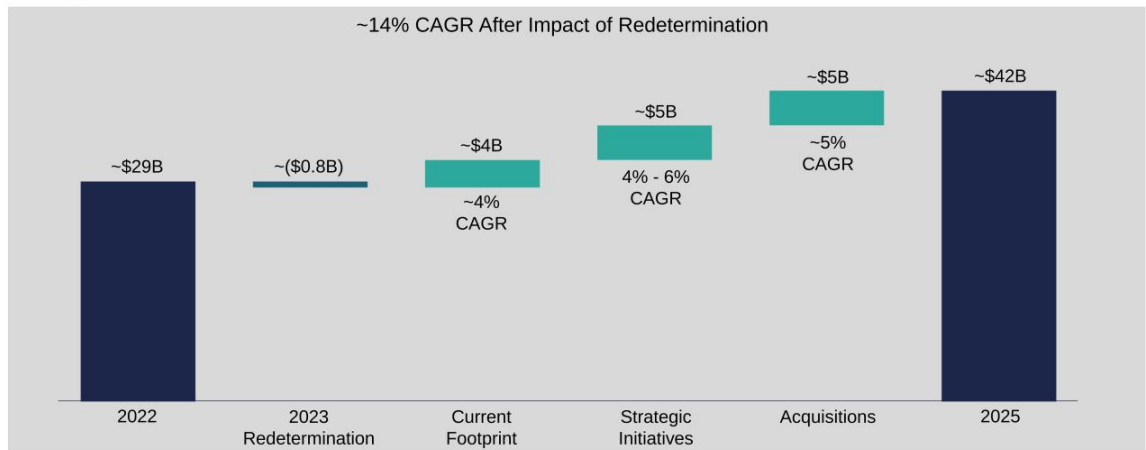
Medicaid Redetermination

Several factors are expected to drive a soft landing and 2022 revenue impact of ~\$0.5B and another ~\$0.8B in 2023



Long-Term Premium Revenue Growth

Balanced growth driven by significant organic growth opportunities and disciplined acquisition strategy



Long-Term Organic Premium Revenue Growth Model

Targeted organic growth rates driven by identified strategic initiatives

	Current Footprint Eligibles + Yield	Strategic Initiatives			Long-Term Organic Growth Rate
		2025 Revenue Opportunity	Discounted Outcome	3-Year Implied CAGR off of 2022	
Medicaid	4%	~\$7.6B	40% - 60%	4% - 6%	8% - 10%
Medicare	7%	~\$1.2B	40% - 60%	4% - 6%	11% - 13%
Marketplace	5%	~\$1.5B	0% - 20%	0% - 3%	5% - 8%
Weighted Total	~4%	~\$10.3B	~\$5B	4% - 6%	8% - 10%

Total Company Long-Term Outlook

Strong revenue and earnings growth off of 2022 outlook, enhanced by operating leverage and share repurchases

Premium Revenue Growth	13% - 15%
Hedge to Margins / Operating Leverage	0% - 1%
Net Income Growth	13% - 16%
Share Repurchases	~2%
EPS Growth	15% - 18%



Executive Q&A

Reconciliation of Non-GAAP Financial Measures

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

	2017	2018	2019	2021 Guidance
Net income per diluted share	\$ (9.07)	\$ 10.61	\$ 11.47	\$ 11.65
Adjustments:				
Acquisition-related expenses	-	-	-	1.13
Amortization of intangible assets	0.55	0.32	0.27	0.81
Loss (gain) on debt repayment	-	0.33	(0.24)	-
Other (1)	-	0.91	0.10	0.16
Subtotal, adjustments	0.55	1.56	0.13	2.10
Income tax effect	(0.20)	(0.43)	(0.03)	(0.50)
Adjustments, net of tax	0.35	1.13	0.10	1.60
Adjusted net income per diluted share	\$ (8.72)	\$ 11.74	\$ 11.57	\$ 13.25

(1): 2018 includes restructuring costs and loss on sales of subsidiaries, net of gain. 2019 includes restructuring costs. 2021 Guidance includes change in premium deficiency reserves, loss on sale of property, and restructuring costs.

