
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): May 24, 2018 (May 23, 2018)

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
(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))
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Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Retirement of Joseph W. White as Chief Financial Officer and Treasurer

On May 24, 2018, Molina Healthcare, Inc. (the “Company”) announced that Joseph W. White will retire from his position as the Company’s chief financial officer and treasurer, effective June 4, 2018. Mr. White’s last day of employment with the Company will be June 6, 2018.

In appreciation of Mr. White’s fifteen years of service to the Company and his exemplary leadership throughout a challenging period in 2017 as interim chief executive officer in connection with the Company’s transition to new management, as well as for transitional consulting services for one year, the Board of Directors of the Company is providing a departure arrangement payable to Mr. White upon his retirement for an amount in cash, less applicable withholding taxes, equal to \$1,500,000. In connection with this retirement, Mr. White will forfeit all of his unvested time-based and performance-based restricted stock and performance unit awards, which have an aggregate market value as of May 24, 2018 in excess of \$7,000,000.

Appointment of Thomas L. Tran as Chief Financial Officer and Treasurer

On May 24, 2018, the Company announced that on May 23, 2018, the Board of Directors of the Company appointed Thomas L. Tran to become the Company’s chief financial officer and treasurer upon Mr. White’s retirement. Mr. Tran will also serve as the Company’s principal financial officer for purposes of the Securities Exchange Act of 1934, as amended (the “Exchange Act”).

Mr. Tran, age 61, joins the Company from Sentry Data Systems, where he served as its chief financial officer and chief operating officer. From 2008 to 2014, Mr. Tran served as the chief financial officer of WellCare Health Plans. From 2007 to 2008, he served as president, chief operating officer, and chief financial officer of CareGuide, Inc. From 2005 to 2007, Mr. Tran served as chief financial officer of Uniprise, Inc., one of the principal operating businesses of UnitedHealth Group. From 1998 to 2005, Mr. Tran served as chief financial officer of ConnectiCare, Inc. Prior to that, Mr. Tran served as chief financial officer of Blue Cross Blue Shield of Massachusetts and as vice president of finance and controller of CIGNA Healthcare.

We believe Mr. Tran’s qualifications to serve as the Company’s chief financial officer and treasurer include his more than 35 years in the healthcare and insurance industry; as well as his experience serving as chief financial officer at Sentry Data Systems, WellCare Health Plans, Uniprise, ConnectiCare, and Blue Cross Blue Shield of Massachusetts, and Vice President of Finance of CIGNA Healthcare.

There is no family relationship between or among Mr. Tran and any director, executive officer, or person nominated or chosen by the Company to become an executive officer of the Company. Apart from the Offer Letter (as defined below), there are no arrangements or understandings between or among Mr. Tran and the Company or its officers or directors pursuant to which Mr. Tran was selected to be an executive officer of the Company, nor are there any transactions that would be required to be reported pursuant to Item 404(a) of Regulation S-K.

Thomas Tran Offer Letter

In connection with Mr. Tran's appointment as chief financial officer of the Company, the Company entered into a letter agreement with Mr. Tran (the "Offer Letter") on May 4, 2018, the terms of which are summarized below.

Salary and Annual Bonus. Mr. Tran's annual base salary will be \$700,000. The Compensation Committee of the Board will review and approve at least annually the compensation paid to Mr. Tran as recommended by Joseph M. Zubretsky, the Company's president and chief executive officer. Mr. Tran's target bonus opportunity will be one hundred percent (100%) of his base salary then in effect, with a maximum payout of two hundred percent (200%) of his base salary then in effect. Calendar year 2018 bonus performance measures will be based seventy percent (70%) on a fiscal year net income metric, and thirty percent (30%) on the discretion of the Compensation Committee. Mr. Tran's calendar year 2018 bonus opportunity will be prorated based on his start date.

Sign-On Long-Term Incentive Grant. On his start date, Mr. Tran will be granted a long-term incentive award in the form of restricted stock units with a grant date value of \$1,200,000 and a restricted stock award with a grant date value of \$800,000. The restricted stock units will be subject to performance-based vesting based on the cumulative net income for the three-year period ending December 31, 2020. The restricted stock award will vest over a period of three (3) years from the date of grant in equal one-third installments on each annual anniversary of the grant date.

Long-Term Incentive Compensation. For calendar year 2019, Mr. Tran will be eligible to receive a long-term incentive award with a grant date value equal to \$1,300,000. The award will be in the same form and structure of long-term incentive awards granted to the Company's other named executive officers, all as determined by the Compensation Committee.

Severance Benefits. Mr. Tran's employment with the Company will be "at will" and, therefore, either the Company or Mr. Tran may terminate the employment relationship with or without cause. However, if the Company terminates Mr. Tran's employment without cause, he will be entitled to receive a severance payment equal to twelve (12) times his monthly base salary then in effect. Furthermore, if Mr. Tran's employment is terminated by the Company without cause within twenty-four (24) months following a change of control of the Company, Mr. Tran will be eligible to receive certain severance benefits pursuant to the Company's Change in Control Severance Plan.

Noncompetition provision. During the period of Mr. Tran's employment, and for a period of one (1) year after termination of his employment for any reason, Mr. Tran has agreed not to, directly or indirectly, engage or participate in, or in any way render services or assistance to, any business that competes, directly or indirectly, with any product or services of the Company or any of its subsidiaries or affiliates within the United States.

Nonsolicitation provision. During the period of Mr. Tran's employment, and for a period of two (2) years after termination of his employment for any reason, Mr. Tran has agreed not to, directly or indirectly, solicit any employees of the Company.

The foregoing description of the Offer Letter does not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Offer Letter, a copy of which is attached hereto as Exhibit 10.1 and is incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

A copy of the press release relating to Mr. White's retirement from, and Mr. Tran's appointment to, the position of chief financial officer and treasurer of the Company is attached hereto as Exhibit 99.1.

Note: The information furnished herewith pursuant to Item 7.01 of this Current Report on Form 8-K shall not be deemed to be "filed" for the purpose of Section 18 of 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

10.1	Offer Letter, dated May 4, 2018, by and between Molina Healthcare, Inc. and Thomas L. Tran.
99.1	Press release dated May 24, 2018.

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: May 24, 2018

By: /s/ Jeff D. Barlow

Jeff D. Barlow
Chief Legal Officer and Secretary

EXHIBIT INDEX

Exhibit

No. Description

[10.1](#) [Offer Letter, dated May 4, 2018, by and between Molina Healthcare, Inc. and Thomas L. Tran.](#)

[99.1](#) [Press release dated May 24, 2018.](#)

**FINAL**

May 4, 2018

Dear Tom:

Molina Healthcare, Inc. (herein after "the Company") is pleased to extend an offer of employment to you. Below is an outline of the proposed terms of your employment:

Position Title: Chief Financial Officer

Health Plan: Molina Healthcare, Inc.

Department: MHI Executive Department

Start Date: May 24, 2018

Employment Status: Exempt, Full-Time

Base Salary: \$700,000 (on an annualized basis)

Short Term Incentive: 100% of Base Salary

You will be eligible to participate in the Company's Short Term Incentive Plan. The Company provides eligible employees with the opportunity to share in the Company's success through discretionary cash incentive awards when the Company's objectives and desired individual performance levels are met or exceeded. Your annual incentive opportunity will be targeted at 100% of your Base Salary. Your incentive for 2018 will be prorated based upon your Start Date. Payout under the 2018 Short Term Incentive Plan is based 70% on 2018 income before taxes, and 30% on discretion. Threshold bonus payments will be made for achievement at the 50% level of the metric, with maximum payout for achievement at 200% of the metric.

Long Term Incentive:

You will be eligible to receive a long term incentive award for the 2019 annual grant valued at \$1,300,000 in the form and structure as other Named Executive Officers, as determined by the Company's Compensation Committee. The long term incentive award will be governed by the terms and conditions of the Company's Equity Incentive Plan and the respective long term incentive award agreements, which will be provided to you on or after the grant date. Historically, the grants have been awarded on an annual basis in March of each calendar year.

Sign-On Long Term Incentive Grant:

Effective as your Start Date, and based on the closing price of the Company's common stock on the Start Date, you will be granted equity compensation equal in value to \$2,000,000 under the Company's 2018 Long Term Incentive Plan, which is based on a 60/40 allocation between Performance Based Restricted Stock Units (PBRsUs) and Restricted Stock. PBRsUs are subject to vesting based on the Company's cumulative net income for the three (3) year period ending December 31, 2020. Achievement of the maximum cumulative net income level will result in vesting at the 200% level, which represents the cap on achievement. Key performance details will be shared at time of signing the PBRsU grant agreement. Restricted Stock is subject to vesting over a period of three (3) years from the date of grant, in equal one-third installments on each anniversary of the grant date. There will be no proration with regard to this grant.

**Commuting Expenses:**

The Company is in the process of developing an executive commuting policy and intends to maintain it as effective for at least one year.

Severance Benefits:

Your employment with the Company is "at will," and thus, either you or the Company may end our employment relationship with or without cause. However, in the event that the Company elects to terminate your employment without cause, you will be provided with a severance payment equal to twelve (12) times your monthly base salary.

If your employment is terminated without cause within twenty-four (24) months of a change of control of the Company, you would be eligible to receive certain severance benefits pursuant to the Company's Change in Control Severance Plan. Pursuant to such Plan, you would be entitled to receive two times (2x) your base salary, payment of your annual short-term incentive cash bonus (equal to the fiscal year target bonus opportunity) on a prorated basis based on the date of termination, full vesting of all unvested equity compensation, and continued health care, dental, and life insurance benefits under the Company's applicable benefits programs for twenty-four (24) months following the date of termination.

Benefits:

The Company will provide you a comprehensive benefits package including medical, dental, life and disability insurance options that will be made available to you effective the first day of the month following (30) consecutive days of employment, assuming all prerequisites are met.

Paid Time Off and Company Holidays:

In accordance with Company policy, you will be eligible for Paid Time Off (PTO) the first full pay period of employment. PTO accrues at 8.615 hours per pay period, which equates to 28 days per year. In addition, the Company observes eight full day and two half day scheduled holidays plus one floating holiday each year.

Life Insurance:

Life insurance, at two (2) times your annual salary up to a maximum of \$1,000,000 is provided at no cost to you. Additional voluntary life insurance is also available at your expense. Short-term and Long-term disability insurance are provided at no cost to you. Any payments made will be offset by applicable state or federal disability benefits.

401(k) Enrollment:

Enrollment in the 401(k) is automatic and will begin the first of the month following the date on which you have both attained age 21 and completed 30 calendar days of employment with the Company. Initially, four (4) percent of your gross pay will be deducted and contributed to your 401(k) account. You may elect to decline enrollment or change the amount of your contribution. The Company intends to match 100% of your payroll contributions up to four (4) percent of your pay. Upon enrollment, vesting of the matched funds is immediate at 100%. Further information will be mailed to your home.

**Additional Benefits:**

Additional benefits include Employee Stock Purchase Plan, Health and Dependent Care Spending Accounts (Section 125), Employee Assistance Program, Credit Unions and Educational Reimbursement Program. Business expenses and auto mileage reimbursement programs are available according to policy.

Confidentiality:

This offer of employment shall be maintained as strictly confidential by you until it is publicly reported in a Form 8-K current report by the Company.

Contingency Terms:

Your offer of employment is contingent upon the verification of U.S. employment eligibility within three (3) days of hire as established by the Immigration Reform and Control Act of 1986. You will also need to provide a copy of any professional license, if applicable, and any other certifications you may hold prior to your Start Date.

Your offer is contingent upon the receipt of satisfactory work references and a satisfactory background check. These are standard requirements for all new employees, and are paid for by the Company. Receipt of unsatisfactory employment references or an unsatisfactory background check may result in withdrawal of this offer and/or immediate termination of employment.

In your work for the Company, the Company expects that you will not use or disclose any confidential information, including but not limited to, trade secrets, of any former employer or other person or entity to whom you have an obligation of confidentiality. Rather, the Company expects that you will use only that information which is generally known and used by persons with training and experience comparable to your own, is common knowledge in the industry, or otherwise legally in the public domain, you have permission to use, or which is otherwise provided or developed by the Company. You agree that you will not bring onto Company premises any confidential information, documents, or property belonging to any former employer or other person to whom you have an obligation of confidentiality. You represent that you have disclosed to the Company any contract or agreement that you have entered into, whether oral or in writing, that may restrict your activities on behalf of the Company.



During the period of employment, and for a period of one (1) year after termination of employment for any reason, with or without cause, you shall not, in recognizing the national scope of the Company's business, directly or indirectly, engage, or participate in or in any way render services or assistance to (including, without limitation, as an officer, director, employee, consultant, agent, lender or equity holder) any business that competes, directly or indirectly, with any product or service of the Company or any of its subsidiaries or affiliates within the United States of America. During the period of employment, and for a period of two (2) years after termination of employment for any reason, with or without cause, you shall not directly or indirectly, either alone or in concert with others, solicit, entice, or encourage Company employees (including but not limited to physician employees) to terminate employment with the Company to obtain employment with a competitor of the Company. This prohibition only applies to Company employees with whom you made contact or acquired information about during your employment with the Company.

Your employment with the Company, when commenced, is at-will and for an indefinite term. While we hope (and expect) that it will be a mutually rewarding relationship, employment termination does occur from time-to-time for a variety of business, personal, and performance circumstances. Because of this you should understand that your employment is on an at-will basis. This means that you and the Company are mutually free to end the relationship at any time for any reason. Under such a relationship the Company is not required to show cause, provide progressive discipline, give notice or follow any other procedure before employment separation, and likewise you may also end the employment relationship at any time for any reason.

This offer remains valid for five (5) business days from the date of this letter.

We look forward to you accepting our offer and being part of the Molina team.

Sincerely,

Molina Healthcare, Inc.

Agreed to and accepted by: Thomas L. Tran

Signature: /s/ Thomas L. Tran

Date: May 9, 2018

Thomas L. Tran Named New Chief Financial Officer of Molina Healthcare as Joseph W. White Announces Retirement

LONG BEACH, Calif.--(BUSINESS WIRE)--May 24, 2018--Molina Healthcare, Inc. (NYSE: MOH) announced today that its Board of Directors has appointed Thomas L. Tran as its new chief financial officer and treasurer, effective June 4, 2018, as Joseph W. White, currently CFO, has announced his plans to retire from the Company as of that same date.

“Tom is an industry leader with a proven track record of generating shareholder value,” said Joe Zubretsky, president and chief executive officer of Molina Healthcare, Inc. “His financial acumen and experience in successfully turning around and growing managed care businesses make him an invaluable addition to our executive leadership team. With Tom’s financial leadership, I am very confident in the continued execution of our margin recovery and sustainability plan.”

As CFO for Molina, Mr. Tran will have oversight of the Company’s finance, accounting, reporting, budgeting and forecasting, actuarial, investor relations and treasury functions. Mr. Tran brings over 35 years’ experience in health care, including six years as CFO of WellCare Health Plans, Inc., where he financially managed the company with \$14 billion of revenue and helped lead its turnaround. Most recently, Mr. Tran was the CFO for Sentry Data Systems where he oversaw finance, human resources, operations and information security. He has also held leadership roles at CareGuide, Uniprise (a principal operating division of UnitedHealth Group), ConnectiCare, Blue Cross & Blue Shield of Massachusetts, and Cigna.

Mr. Tran earned his bachelor’s degree from Seton Hall University and his master’s degree in Business Administration from New York University. He will succeed Mr. White, who will retire after a distinguished 15-year career with the Company. Mr. White will continue his existing duties until Mr. Tran assumes his new role to ensure a smooth transition of responsibilities.

Mr. White’s career has included more than 30 years of financial management experience in the health care industry. He has held several positions since he started with Molina in 2003, including chief financial officer, treasurer, interim chief executive officer and chief accounting officer.

“Joe has been a stalwart leader for Molina over the years, and throughout my first seven months on the job here, I have benefitted from his partnership,” said Joe Zubretsky. “I am grateful for his dedicated leadership, and I wish him the best in his well-deserved retirement.”

“I am honored to have been a part of Molina Healthcare for the last 15 years,” said Joe White. “I leave with a great sense of pride in what we have accomplished, and I look forward to watching the Company flourish under this strong new leadership team.”

About Molina Healthcare

Molina Healthcare, Inc., a FORTUNE 500 company, provides managed health care services under the Medicaid and Medicare programs and through the state insurance marketplaces. Through its locally operated health plans, Molina Healthcare served approximately 4.1 million members as of March 31, 2018. For more information about Molina Healthcare, please visit our website at molinahealthcare.com.

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

This press release contains “forward-looking statements” regarding the transition in our executive leadership and our financial performance. All forward-looking statements are based on current expectations that are subject to numerous risk factors that could cause actual results to differ materially. Information regarding the risk factors to which we are subject is provided in greater detail in our periodic reports and filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K. These reports can be accessed under the investor relations tab of our website or on the SEC’s website at sec.gov. Given these risks and uncertainties, we cannot give assurances that our forward-looking statements will prove to be accurate, or that any other results or events projected or contemplated by our forward-looking statements will in fact occur, and we caution investors not to place undue reliance on these statements. All forward-looking statements in this release represent our judgment as of the date hereof, and we disclaim any obligation to update any forward-looking statements to conform the statement to actual results or changes in our expectations that occur after the date of this release.

CONTACT:

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or

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