

**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): 05/16/2005

MOLINA HEALTHCARE, INC.

(Exact Name of Registrant as Specified in its Charter)

Commission File Number: 001-31719

DE

(State or Other Jurisdiction of
Incorporation or Organization)

134204626

(I.R.S. Employer
Identification No.)

**One Golden Shore Drive
Long Beach, CA 90802-4202**

(Address of Principal Executive Offices, Including Zip Code)

562 435 3666

(Registrant's Telephone Number, Including Area Code)

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act(17CFR240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act(17CFR240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act(17CFR240.13e-4(c))
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Item 1.01. Entry into a Material Definitive Agreement

Molina Healthcare of New Mexico, Inc., a subsidiary of Molina Healthcare, Inc., has entered into a new four-year contract with the New Mexico Human Services Department (HSD) under the state's SALUD! Medicaid Managed Care Program. The contract award was announced on May 16, 2005, by Pamela Hyde, New Mexico Secretary of HSD. The contract was awarded to Molina Healthcare of New Mexico pursuant to a competitive bidding process under a Request for Proposals, or RFP, issued by HSD in November 2004. The contract will be effective starting July 1, 2005.

Currently, there are approximately 61,000 Medicaid members enrolled with Molina Healthcare of New Mexico. Anticipated revenues for 2005 under the existing contract and the new contract are approximately \$245 million.

Safe Harbor Statement under the Private Securities Litigation Reform Act of 1995: This Report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Actual results may differ materially.

Item 9.01. Financial Statements and Exhibits

(c) Exhibits:

99.1 Press Release issued on May 17, 2005 regarding New Mexico contract award.

Signature(s)

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 17, 2005.

By: /s/ Mark L. Andrews

Mark L. Andrews
Executive Vice President, General Counsel

Exhibit Index

| Exhibit No. | Description |
|--------------------|---|
| EX-99.1 | Press Release issued on May 17, 2005 regarding New Mexico contract award. |

News Release

Contact:

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Molina Healthcare, Inc.

(505) 348-0362

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MOLINA HEALTHCARE OF NEW MEXICO SIGNS CONTRACT WITH STATE FOR SALUD! MEDICAID MANAGED CARE

ALBUQUERQUE, New Mexico (May 17, 2005) -- Molina Healthcare of New Mexico, Inc., a subsidiary of Molina Healthcare, Inc. (NYSE: MOH), today announced that it has signed a new four-year contract with the New Mexico Human Services Department, Medical Assistance Division (HSD/MAD) for the management, coordination and provision of healthcare to members under the state's Salud! Medicaid Managed Care Program.

The contract will be effective starting July 1, 2005. Molina Healthcare of New Mexico, Inc., which formerly operated under the name of Cimarron Health Plan, has held a contract with the State of New Mexico since the inception of the Medicaid Managed Care Program in 1997. There are currently more than 250,000 members in Medicaid managed care in New Mexico, approximately 61,000 of whom receive their care from Molina Healthcare of New Mexico.

As a contractor with the State of New Mexico, Molina Healthcare will coordinate payments to healthcare providers and offer a range of services to its members, including prenatal and other health education classes, help with obtaining community services and the coordination of care for members with complex health conditions.

"This is a significant announcement for Molina," said Gerald Landgraf, Chief Executive Officer of Molina Healthcare of New Mexico. "It recognizes our staff's commitment and reputation in delivering quality healthcare to those who need it most. We look forward to continuing our successful partnership with the State of New Mexico for another four years and beyond."

Molina Healthcare of New Mexico is a subsidiary of Molina Healthcare, Inc. (NYSE:MOH). Molina Healthcare, Inc. is a multi-state managed care organization that arranges for the delivery of healthcare services to persons eligible for healthcare benefits through government-sponsored programs for low-income families and individuals, such as Medicaid and the State Children's Health Insurance Program, or SCHIP. Molina Healthcare, Inc. currently operates health plans in California, Indiana, Michigan, New Mexico, Utah and Washington. More information on Molina Healthcare of New Mexico can be obtained at www.molinahealthcare.com/new_mexico.

"Safe Harbor" Statement under the Private Securities Litigation Reform Act of 1995: This press release may contain "forward-looking statements." All of the Company's forward-looking statements are based on current expectations and assumptions that are subject to numerous known and unknown risks, uncertainties and other factors that could cause actual results to differ materially. Such risk factors include the Company's ability to accurately predict and effectively manage health benefits and other operating expenses, potential reductions in funding for Medicaid and other government-sponsored healthcare programs, the successful renewal of the Company's government contracts, the Company's ability to accurately estimate incurred but not reported medical costs, the implementation of announced rate increases, changes in federal or state laws or regulations or the interpretation thereof and other risks and uncertainties as detailed in the Company's reports and filings with the Securities and Exchange Commission and available on its website at www.sec.gov. The Company disclaims any intent or obligation to update any forward-looking statement to conform the statement to actual results or changes in the Company's expectations.