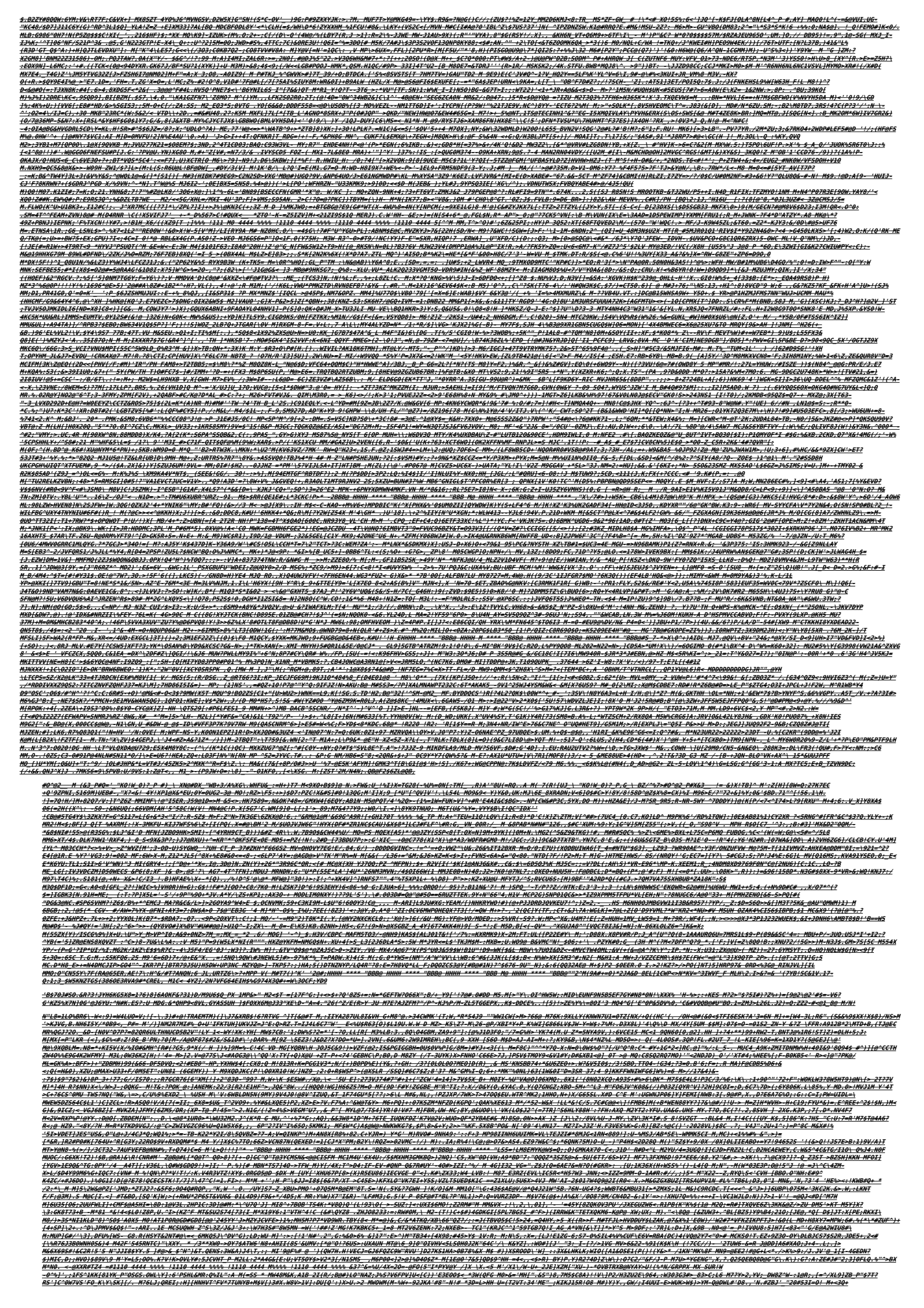

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UNITED STATESSECURITIES AND EXCHANGE COMMISSIONWashington, D.C. 20549Form 10-K(Mark One)â˜’ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024orâ˜TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM ________ TO ________ Commission File Number 1-31719MOLINA HEALTHCARE, INC. (Exact name of registrant as specified in its charter)Â Delaware13-4204626(State or other jurisdiction of(I.R.S. Employerincorporation or organization)Identification No.)200 Oceangate, Suite 100, Long Beach, California 90802 (Address of principal executive offices) (Zip Code)(562) 435-3666 (Registrantâ€™s telephone number, including area code)Securities registered pursuant to SectionÂ 12(b) of the Act:Â Title of Each ClassTrading Symbol(s)Name of Each Exchange on Which RegisteredCommon Stock, $0.001 Par ValueMOHNew York Stock ExchangeSecurities registered pursuant to SectionÂ 12(g) of the Act:NoneIndicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.Â Â Â Â â˜’Â Â YesÂ Â Â Â â˜Â Â NoIndicate by check mark if the registrant is not required to file reports pursuant to SectionÂ 13 or SectionÂ 15(d) of the Act.Â Â Â Â â˜Â Â YesÂ Â Â Â â˜’Â Â No Indicate by check mark whether the registrant (1)Â has filed all reports required to be filed by SectionÂ 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)Â has been subject to such filing requirements for the past 90 days.Â Â Â Â â˜’Â Â YesÂ Â Â Â â˜Â Â NoIndicate 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 (Â§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). â˜’Â Â YesÂ Â Â Â â˜Â Â NoIndicate 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 â€œlarge accelerated filer,â€ â€œaccelerated filer,â€ â€œsmaller reporting company,â€ and â€œemerging growth companyâ€ in Rule 12b-2 of the Exchange Act.Large accelerated filerâ˜’AcceleratedÂ filerâ˜Non-accelerated filerâ˜SmallerÂ reportingÂ companyâ˜Emerging growth companyâ˜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. â˜Indicate by check mark whether the registrant has filed a report on and attestation to its managementâ€™s assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. â˜’If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. â˜Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrantâ€™s executive officers during the relevant recovery period pursuant to Â§240.10D-1(b). â˜Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act).Â â˜Â Â YesÂ Â Â Â â˜’Â Â NoThe aggregate market value of Common Stock held by non-affiliates of the registrant as of JuneÂ 30, 2024, the last business day of our most recently completed second fiscal quarter, was approximately $17.2 billion (based upon the closing price for shares of the registrantâ€™s Common Stock as reported by the New York Stock Exchange, Inc. on JuneÂ 30, 2024).As of FebruaryÂ 7, 2025, approximately 55.5 million shares of the registrantâ€™s Common Stock, $0.001 par value per share, were outstanding.Â Â DOCUMENTS INCORPORATED BY REFERENCEPortions of the registrantâ€™s Proxy Statement for the 2025 Annual Meeting of Stockholders are incorporated by reference into Part III of this Annual Report on Form 10-K, to the extent described therein.MOLINA HEALTHCARE, INC. 2024 FORM 10-K TABLE OF CONTENTSPagePart IItem Number1.Business31A.Risk Factors201B.Unresolved Staff CommentsNot Applicable.1C.Cybersecurity352.Properties363.Legal Proceedings364.Mine Safety DisclosuresNot Applicable.PartÂ II5.Market for Registrantâ€™s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities376.[Reserved]Not Applicable.7.Managementâ€™s Discussion and Analysis of Financial Condition and Results of Operations397A.Quantitative and Qualitative Disclosures About Market Risk518.Financial Statements and Supplementary Data529.Changes in and Disagreements with Accountants on Accounting and Financial DisclosureNot Applicable.9A.Controls and Procedures909B.Other Information939C.Disclosure Regarding Foreign Jurisdictions that Prevent InspectionsNot Applicable.PartÂ III10.Directors, Executive Officers and Corporate Governance9311.Executive Compensation9312.Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters9313.Certain Relationships and Related Transactions, and Director Independence9314.Principal Accountant Fees and Services93PartÂ IV15.Exhibits and Financial Statement Schedules9416.Form 10-K Summary Not Applicable.SignaturesFORWARD-LOOKING STATEMENTSThis Annual Report on Form 10-K (this â€œForm 10-Kâ€) contains forward-looking statements. We intend such forward-looking statements to be covered under the safe harbor provisions for forward-looking statements contained in SectionÂ 27A of the Securities Act of 1933, or Securities Act, and SectionÂ 21E of the Securities Exchange Act of 1934, or Securities Exchange Act. Many of the forward-looking statements are located under the heading â€œManagementâ€™s Discussion and Analysis of Financial Condition and Results of Operations.â€ 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-K may be forward-looking statements. In some cases, you can identify forward-looking statements by words such as â€œguidance,â€ â€œfuture,â€ â€œanticipates,â€ â€œbelieves,â€ â€œembedded,â€ â€œestimates,â€ â€œexpects,â€ â€œgrowth,â€ â€œintends,â€ â€œplans,â€ â€œpredicts,â€ â€œprojects,â€ â€œwill,â€ â€œwould,â€ â€œcould,â€ â€œcan,â€ â€œmay,â€ or the negative of these terms or other similar expressions. Forward-looking statements contained in this Form 10-K include, but are not limited to, statements regarding our future results of operations and financial position, industry and business trends, regulatory and political developments, business strategy, strategic transactions and commercial arrangements, membership and market growth, and our objectives for future operations. Readers are cautioned not to place undue reliance on any forward-looking statements, as the future is inherently unpredictable. Thus, forward-looking statements are not guarantees of future performance and the Companyâ€™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, risks related to the following: â€¢the implementation in 2025 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;â€¢federal or state legislative or regulatory changes to the Medicaid, Medicare, or Marketplace programs incidental to the change in presidential administrations, including funding changes to the federal matching percentage, block grants or per capita caps, work requirements, the non-renewal of Marketplace subsidies, provider taxes, or amendments of the Affordable Care Act (â€œACAâ€); â€¢budget pressures on state governments and statesâ€™ efforts to reduce rates or limit rate increases; â€¢evolving Marketplace dynamics including issues impacting enrollment, special enrollment periods, member choice, premium subsidies, risk adjustment estimates and results, Marketplace plan insolvencies or receiverships, and the potential for disproportionate enrollment of higher acuity members;â€¢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; â€¢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;â€¢our ability to integrate our acquisitions and realize benefits as projected;â€¢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; â€¢effective management of our medical costs; â€¢our ability to predict with a reasonable degree of accuracy utilization rates; â€¢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, and the extent to which our working in a remote work environment heightens our exposure to these risks;â€¢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; â€¢operational improvements, efficiencies, and cost savings that are less than anticipated, or that result in unforeseen consequences, from our investments in artificial intelligence (â€œAIâ€) administrative tools and initiatives;â€¢the impact of our working in a remote work environment;â€¢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; â€¢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;

â€¢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; â€¢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 (â€œCMSâ€) into state-administered Medicaid programs; â€¢the accurate estimation of incurred but not reported or paid medical costs across our health plans; â€¢changes in our annual effective tax rate due to federal and/or state legislation, or changes in our mix of earnings and other factors;â€¢the efficient and effective operations of the vendors on whom our business relies;â€¢complications, member confusion, or enrollment backlogs related to the renewal of Medicaid coverage; â€¢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; â€¢the success of our providers, including delegated providers, the adequacy of our provider networks, the successful maintenance of relations with our providers, and the potential loss of providers; â€¢approval by state regulators of dividends and distributions by our health plan subsidiaries; â€¢high dollar claims related to catastrophic illness; â€¢the favorable resolution of litigation, arbitration, or administrative proceedings; â€¢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; â€¢the failure to comply with the financial or other covenants in the credit agreement governing our revolving credit facility or the indentures governing our outstanding senior notes; â€¢the availability of adequate financing on acceptable terms to fund and capitalize our expansion and growth, and meet our general liquidity needs;â€¢the failure of a state in which we operate to renew its federal Medicaid waiver; â€¢changes generally affecting the managed care industry, including any new federal or state legislation that impacts the business space in which we operate; â€¢increases in government surcharges, taxes, and assessments; â€¢the impact of inflation on our medical costs and the cost of refinancing our outstanding indebtedness; â€¢the unexpected loss of the leadership of one or more of our senior executives;â€¢increasing competition and consolidation in the Medicaid or general healthcare sector; andâ€¢the other risk factors identified in the section of this Form 10-K titled, â€œRisk Factors.â€Each of the terms â€œMolina Healthcare, Inc.â€ â€œMolina Healthcare,â€ â€œCompany,â€ â€œwe,â€ â€œour,â€ and â€œus,â€ 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-K are based upon information available to us as of the date of this Form 10-K, 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-K. The Company assumes no obligation to revise or update any forward-looking statements for any reason, except as required by law.

PART IItem 1. BUSINESSOVERVIEWABOUT MOLINA HEALTHCAREMolina Healthcare, Inc., a FORTUNE 500 company, provides managed healthcare services under the Medicaid and Medicare programs, and through the state insurance marketplaces (the â€œMarketplaceâ€). Molina was founded in 1980 as a provider organization serving low-income families in Southern California and reincorporated in Delaware in 2002. We served approximately 5.5 million members as of DecemberÂ 31, 2024, located across 21 states. Our business footprint, as of DecemberÂ 31, 2024, is illustrated below. FINANCIAL HIGHLIGHTSÂ Year Ended December 31,Â 20242023(In millions, except per-share amounts)Premium Revenue$38,627Â $32,529Â Total Revenue$40,650Â $34,072Â Medical Care Ratio (â€œMCRâ€) (1)89.1Â %88.1Â %Net Income$1,179Â $1,091Â Net Income per Diluted Share$20.42Â $18.77Â ________________________(1)Medical care ratio represents medical care costs as a percentage of premium revenue.OUR SEGMENTSWe currently have four reportable segments consisting of: 1)Â Medicaid; 2)Â Medicare; 3)Â Marketplace; and 4)Â 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.Refer to Notes to Consolidated Financial Statements, Note 16, â€œSegments,â€ for further information, including segment revenue and profit information.Molina Healthcare, Inc. 2024 Form 10-K | 3SEGMENT MEMBERSHIPThe following table summarizes our membership by segment as of the dates indicated:As of DecemberÂ 31,20242023Medicaid4,890,000Â 4,542,000Â Medicare242,000Â 172,000Â Marketplace403,000Â 281,000Â Total5,535,000Â 4,995,000Â SEGMENT PREMIUM REVENUEThe following table presents our consolidated premium revenue by segment for the periods indicated:Year Ended December 31,20242023(In millions)Medicaid $30,579Â $26,327Â Medicare 5,542Â 4,179Â Marketplace2,506Â 2,023Â Total $38,627Â $32,529Â MISSIONOur mission is to improve the health and lives of our members by delivering high-quality health care. VISIONWe will distinguish ourselves as the low-cost, most effective and reliable health plan delivering government-sponsored care. STRATEGYOur long-term growth strategy remains unchanged, as we continue to be a pure-play government-sponsored healthcare business, which provides us with opportunities to compete in high-growth, synergistic market segments with attractive and sustainable margins. Our strategic priorities include: â€¢Organic growth of our core businesses by growing with new state procurement opportunities, retaining existing contracts, increasing market share in current service areas and pursuing carve-in and/or adjacent opportunities; â€¢Inorganic growth through accretive acquisitions;â€¢Reinvesting excess capital in the business or returning it to shareholders (e.g., share repurchases); and â€¢Strong MCR and general and administrative (â€œG&Aâ€) management to drive attractive and sustainable margins.Our strategy analyzes our changing environment to identify the largest opportunities and risks within our portfolio and the adequacy of our capabilities. Landscape. The competition is fierce, as our markets are attractive. Public policy and demographics continue to be positive catalysts for growth. The integration of Medicaid and low-income Medicare poses an opportunity and a threat, but the Marketplace risk pool continues to stabilize. Our evolving portfolio and environment require us to focus on developing new capabilities. Retrospective. We have successfully executed our strategic plan and have confidence that we can continue to do so. We have achieved 19% revenue growth and 12% earnings per share growth from 2019 to 2024. We have achieved an 80% new contract win rate, and a 90% re-procurement win rate for Medicaid requests for proposal (â€œRFPsâ€) during this timeframe. The Plan. Our long-term strategy remains unchanged. Our current target is 11% to 13% revenue growth, and 13% to 15% earnings per share growth, leading us to achieve $52 to $55 billion in premium revenue by 2027. We plan to maintain our balanced approach to growth, including market share gains, new state contracts, and mergers and Molina Healthcare, Inc. 2024 Form 10-K | 4acquisitions. We will continue to focus on driving market share gains through improved execution of enrollment and retention. Our proven track record of RFP success makes us confident in our ability to retain current revenue and to pursue the majority of new state opportunities with a continued high win rate. We plan to continue executing on our acquisitions pipeline at attractive prices and with strong integrations. How We Will Execute. To enable the achievement of our growth strategy, we will continue providing low-cost and high quality health care services, with a seamless member experience, evolving capabilities in value-based contracting and strong clinical operations. We will also continue maintaining a strong capital foundation, enhancing the operating model, our management processes and organizational design, harnessing the power of our second line leaders and staff, and seeking continual talent upgrades. As part of our operating enhancements, we are making appreciable investments in AI administrative tools and initiatives to create efficiencies and save costs.KEY DEVELOPMENTSWe are pleased with the continued success of our profitable growth strategy, which included strong performance on Medicaid state procurements in 2024, and the Bright Health Medicare and ConnectiCare acquisitions that we closed on January 1, 2024, and February 1, 2025, respectively. Collectively, newly reported RFP successes and acquisitions in 2024 represent nearly $7 billion of incremental annual premium revenue, which will be partially realized in 2025, is expected to be mostly realized in 2026 and is expected to be fully realized in 2027 and 2028. More detail on recent developments and accomplishments relating to our growth strategy is presented below: Connecticut Acquisitionâ€"Marketplace and Medicare. Effective February 1, 2025, we closed on our acquisition of ConnectiCare Holding Company, Inc. (â€œConnectiCareâ€), 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 $350Â million.Idaho Procurementâ€"Medicaid and Medicare. In December 2024, the Idaho Department of Health and Welfare announced that it intends to award a contract to our Idaho health plan to administer the stateâ€™s Dually-Eligible Medicare/Medicaid Managed Care Plan, which provides access to integrated benefits to the stateâ€™s dual eligible population. The new contract, which is expected to commence on January 1, 2026, is expected to have an initial term of four years, with a potential one-year extension. Georgia Procurementâ€"Medicaid. In December 2024, the Georgia Department of Administrative Services issued the Notice of Intent to Award in the Georgia Families Medicaid Managed procurement. Our Georgia health plan was the top scorer, and was noticed for award of one of the four statewide contracts. The new contract was originally scheduled to commence on July 1, 2025; however, due to ongoing procurement protests, we now anticipate implementation beginning on July 1, 2026. Ohio Procurementâ€"Medicare. In November 2024, our Ohio health plan was awarded a contract to provide benefits to the stateâ€™s Next Generation MyCare program. The new contract is expected to commence on January 1, 2026 in the 29 counties where MyCare Ohio is currently available, with statewide expansion of the program to follow as quickly as possible. Michigan Procurementâ€"Medicare. In October 2024, our Michigan health plan was awarded a contract to provide benefits for the stateâ€™s Highly Integrated Dual Eligible Special Needs Plan (â€œHIDE D-SNPâ€) in six service regions. In November 2024, the Michigan procurement office announced it was cancelling the previously-issued notice of intent to award contracts. The state simultaneously re-issued the RFP. In December 2024, we were re-awarded the contract in eleven service regions, Michiganâ€™s entire lower peninsula. This award facilitates the transition of our existing Medicare-Medicaid Plan (â€œMMPâ€) members to a HIDE D-SNP product and ensures a new dual-eligibles growth opportunity by expanding our footprint from two regions to eleven. The new contract, which is expected to commence on January 1, 2026 in select regions, will be implemented statewide in 2027 and is expected to continue for seven years, with up to three renewal options. Massachusetts Procurementâ€"Medicare. In September 2024, our Massachusetts health plan was selected to proceed to contract negotiations to operate both One Care and Senior Care Options plans. This selection is expected to allow us to operate the One Care 21-64 program, and to retain our position in the Senior Care Options program. The programs provide physical, behavioral, long-term services and supports, and other community services to dual-eligibles. The new contract is expected to commence on January 1, 2026. Florida Procurementâ€"Medicaid. In July 2024, we were notified that the Florida Agency for Healthcare Administration awarded a Medicaid managed care contract to Molina Healthcare of Florida. The contract commenced on February 1, 2025 and will run through December 31, 2030. We expect to serve approximately 90,000 Medicaid beneficiaries in Miami-Dade County. Molina Healthcare, Inc. 2024 Form 10-K | 5New Mexico Procurementâ€"Medicaid. Our new contract with the New Mexico Health Care Authority commenced on July 1, 2024 and will run through December 31, 2026, with a further expected extension. The new contract added approximately 33,000 members.Wisconsin Procurementâ€"Medicaid. 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. Additionally, we were re-awarded our sole contract position in the self-directed long-term services and supports personal care program.Michigan Procurementâ€"Medicaid. In April 2024, we announced that the Michigan Department of Health and Human Services awarded a Comprehensive Health Care Program contract to our Michigan health plan. We were awarded the contract in six service regions. The new Medicaid contract commenced on October 1, 2024. The new contract is expected to have a duration of five years, with an option for three one-year extensions. Mississippi Procurementâ€"Medicaid. In the second quarter of 2024, the Mississippi Division of Medicaid extended the existing contracts for the state fiscal year that began on July 1, 2024. We now expect the new four-year contract, which will cover both TANF & ABD and CHIP, to commence on July 1, 2025. Texas Procurementâ€"Medicaid - STAR CHIP. In the first quarter of 2024, we were notified of the Texas Health and Human Services Commissionâ€™s intent to award us a contract for Temporary Assistance for Needy Families (â€œTANFâ€) and Childrenâ€™s Health Insurance Program (â€œCHIPâ€) (known in Texas as the STAR & CHIP programs, and both existing contracts for Molina), expanding our footprint and expecting to grow our market share. The expected start of operations and other final contract terms are still pending.Virginia Procurementâ€"Medicaid. In April of 2024, the Virginia Department of Medical Assistance Services (â€œDMASâ€) issued a notice of intent to award which did not include our Virginia health plan as an awardee for its Cardinal Care Managed Care (â€œCCMCâ€) procurement. We exercised our right to protest that decision. On April 19, 2024, DMAS upheld its notice of intent to award in response to our protest. On April 26, 2024, Molina filed a legal action in Virginia Circuit Court over DMASâ€™s decision not to award Molina a CCMC contract. The state court action continues. A trial date has not been set. In addition, DMAS separately notified us that they were exercising the contractual extension option for current contract for the period from July 1, 2024 through June 30, 2025.California Acquisitionâ€"Medicare. Effective January 1, 2024, we closed on our acquisition of 100% of the issued and outstanding capital stock of Bright Health Medicare, which added approximately 109,000 members. California Procurementâ€"Medicaid. Our new contract with the California Department of Health Care Services (â€œDHCSâ€) commenced on January 1, 2024, which enabled us to continue servicing Medi-Cal members in most of our existing counties and significantly expanded our footprint in Los Angeles County. Nebraska Procurementâ€"Medicaid. Our new contract with the Nebraska Department of Health and Human Services commenced on January 1, 2024, which added approximately 114,000 members. Texas Procurementâ€"Medicaid - STAR+PLUS. In the first quarter of 2023, we were notified of the Texas Health and Human Services Commissionâ€™s intent to award us a contract for Texasâ€™ Medicaid-managed care program for adults with disabilities or who are age 65 or older (known in Texas as the STAR+PLUS program). The new STAR+PLUS contract began on September 1, 2024 and grew our market share. CAPITAL MANAGEMENTContinued management of our cash, investments, and capital structure is enabling us to meet the short- and long-term objectives and obligations of our business while maintaining liquidity and financial flexibility. We have continued to execute a capital plan that has produced a strong and stable balance sheet, with a simplified capital structure, which resulted in the following accomplishments in 2024:â€¢Our regulated health plans paid $997 million in total dividends to the parent company, representing cash in excess of their capital needs. â€¢Investment income increased $58 million in 2024, or 15%, due mainly to growth in invested assets. â€¢In November 2024, we completed the private offering of $750 million aggregate principal amount of 6.250% senior notes due 2033. We used the approximately $740 million in net proceeds from this offering for general corporate purposes, which may include repayment of indebtedness, share repurchases, funding for acquisitions, capital expenditures, additions to working capital and capital contributions to our health plan subsidiaries to meet statutory requirements in new or existing states. Molina Healthcare, Inc. 2024 Form 10-K | 6â€¢In the third and fourth quarters of 2024, we completed purchases of our common stock pursuant to stock purchase programs authorized by our board of directors in September 2023 and October 2024, respectively. Under these programs, pursuant to Rule 10b5-1 trading plans, we: â—¦Purchased approximately 1,465,000 shares for $500 million in the third quarter of 2024 (average cost of $341.25 per share). â—¦Purchased approximately 1,666,000 shares for $500 million in the fourth quarter of 2024 (average cost of $300.04 per share). OUR BUSINESSMEDICAIDOverviewMedicaid was established in 1965 under the U.S.Â Social Security Act to provide healthcare and long-term services and support to low-income Americans. Although jointly funded by federal and state governments, Medicaid is a state-operated and state-implemented program. Subject to federal laws and regulations, states have significant flexibility to structure their own programs in terms of eligibility, benefits, delivery of services, and provider payments. As a result, there are 56 separate Medicaid programsâ€"one for each U.S. state, each U.S. territory, and the District of Columbia.The federal government guarantees matching funds to states for qualifying Medicaid expenditures based on each stateâ€™s federal medical assistance percentage (â€œFMAPâ€). A stateâ€™s FMAP is calculated annually and varies inversely with average personal income in the state. The approximate average FMAP across all jurisdictions is currently 62%, and currently ranges from a federally established FMAP floor of 50% to as high as 83%. Most states have contracted with managed care plans to provide Medicaid services to beneficiaries, seeking to increase budget predictability, constrain spending, improve access to care and value, and meet other objectives. We expect our Medicaid enrollment to increase by over 100,000 in 2025, to a total of five million members by the end of the year. In 2025, we anticipate a benefit from our recent RFP successes in Florida, New Mexico, Wisconsin, Michigan, Mississippi and Texas, as well as from organic growth. We participate in the following Medicaid programs:â€¢Temporary Assistance for Needy Families (â€œTANFâ€) â€" This is the most common Medicaid program. It primarily covers low-income families with children.â€¢Medicaid Aged, Blind or Disabled (â€œABDâ€) â€" ABD programs cover low-income persons with chronic physical disabilities or behavioral health impairments. ABD beneficiaries typically use more services than those served by other Medicaid programs because of their critical health issues.â€¢Childrenâ€™s Health Insurance Program (â€œCHIPâ€) â€" CHIP is a joint federal and state matching program that provides healthcare coverage to children whose families earn too much to qualify for Medicaid coverage. States have the option of administering CHIP through their Medicaid programs.â€¢Medicaid Expansion â€" In states that have elected to participate, Medicaid Expansion provides eligibility to nearly all low-income individuals under age 65 with incomes at or below 138% of the federal poverty line.â€¢Long Term Services and Supports (â€œLTSSâ€) â€" LTSS programs cover a range of medical and personal care assistance that people may need â€" for several weeks, months, or years â€" when they experience difficulty completing self-care tasks as a result of aging, chronic illness, or disability. Such services include, but are not limited to, nursing facility care, adult daycare programs, home health aide services, personal care services, transportation, and supported employment as well as assistance provided by a family caregiver.ContractsOur state Medicaid contracts typically have terms of three 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 RFPs 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 amended periodically to include or exclude certain health benefits, such as pharmacy services, behavioral health services, or long-term care services, the addition or withdrawal of populations such as the ABD; and expansion into or retraction from certain new regions or service areas. Molina Healthcare, Inc. 2024 Form 10-K | 7Status of Significant ContractsOur Medicaid premium revenue constituted 79% of our consolidated premium revenue in the year ended December 31, 2024. Our Medicaid contracts with the states of California, New York, Texas, and Washington each accounted for approximately 10% or more of our consolidated Medicaid premium revenues in the year ended December 31, 2024. The current status of each of these contracts is described below.California. The three DHCS Medi-Cal contracts and plan-to-plan subcontract for Los Angeles County commenced on January 1, 2024, which enabled us to continue serving Medi-Cal members in Los Angeles, Riverside/San Bernardino, Sacramento, and San Diego counties and significantly expanded our footprint in Los Angeles County. The expansion in Los Angeles County added 500,000 new members. Our California Medicaid contracts represented premium revenue of approximately $4,121 million, or 13%, of our consolidated Medicaid premium revenue in 2024.New York. Our presence in New York increased substantially after completion of the Magellan Complete Care acquisition in December 2020, the Affinity Health Plan acquisition in October 2021 and the AgeWell New York acquisition in 2022. Affinity Health Plan is a Medicaid managed care organization serving members in New York City, Westchester, Orange, Nassau, Suffolk, and Rockland counties in New York. AgeWell is a specialty managed care organization that provides long-term care services at home or in the community for those who are chronically ill or disabled in The Bronx, New York City, Queens, Brooklyn, Nassau, Westchester, and Suffolk counties. Our New York Medicaid contracts represented premium revenue of approximately $3,373 million, or 11%, of our consolidated Medicaid premium revenue in 2024. Texas. Our new contract for the Texas STAR+PLUS program commenced on September 1, 2024, retaining our entire existing footprint in each of Bexar, Dallas, El Paso, Harris, Hidalgo, Jefferson, Northeast Texas, and Tarrant service areas and grew our market share. In the first quarter of 2024, we were notified of the Texas Health and Human Services Commissionâ€™s intent to award us a contract for TANF and CHIP (known in Texas as the STAR & CHIP programs, and both existing contracts for Molina), expanding our footprint, and expecting to grow our market share. The expected start of operations and other final contract terms are still pending. Our Texas Medicaid contracts represented approximately $4,126 million, or 14%, of consolidated Medicaid premium revenue in 2024.Washington. Our managed care contract with the Washington State Health Care Authority (â€œHCAâ€) covers all ten regions of the stateâ€™s Apple Health Integrated Managed Care program, and was effective through DecemberÂ 31, 2024. HCA has renewed the contract through December 31, 2025, with a further renewal expected for 2026. HCA is expected to re-procure for Medicaid with an anticipated release of an RFP no earlier than sometime in 2026, with an expected contract effective date of January 1, 2027. Our Washington Medicaid contract represented approximately $3,998 million, or 13%, of consolidated Medicaid premium revenue in 2024. A loss of any of our significant Medicaid contracts could have a material adverse effect on our business, financial condition, cash flows, or results of operations.Basis for Premium RatesUnder our Medicaid contracts, state government agencies pay our health plans per-member per-month (â€œPMPMâ€) rates that vary by state, line of business, demographics and, in most instances, health risk factors. CMS requires these rates to be actuarially sound. In exchange for the payment received, Molina arranges, pays for, and manages healthcare services provided to Medicaid beneficiaries. Therefore, our health plans are at risk for the medical costs associated with their membersâ€™ healthcare. Premium rates under our Medicaid contracts are subject to each stateâ€™s annual appropriation process. The premium rates paid to our health plans may vary substantially between states and among various government programs and may not be commensurate with the current medical cost trends in the states and the health acuity levels of our members. For the year ended December 31, 2024, Medicaid program PMPM premium rates ranged from $290 to $1,380.Member Enrollment and MarketingMost states allow eligible Medicaid members to select the Medicaid plan of their choice. This opportunity to choose a plan is typically afforded to the member at the time of first enrollment and, at a minimum, annually thereafter.Â In some of the states in which we operate, a substantial majority of new Medicaid members voluntarily select a plan with the remainder subject to the auto-assignment process described below, while in other states less than half of new members voluntarily choose a plan.Our Medicaid health plans may benefit from auto-assignment of individuals who do not choose a plan, but for whom participation in managed care programs is mandatory. Each state differs in its approach to auto-assignment, but one or more of the following criteria is typical in auto-assignment algorithms: a Medicaid beneficiary's previous enrollment with a health plan or experience with a particular provider contracted with a health plan, enrolling family Molina Healthcare, Inc. 2024 Form 10-K | 8members in the same plan, a plan's quality or performance status, a planâ€™s network and enrollment size, awarding all auto-assignments to a plan with the lowest bid in a county or region, and equal assignment of individuals who do not choose a plan in a specified county or region. Our Medicaid marketing efforts are regulated by the states in which we operate, each of which imposes different requirements for, or restrictions on, Medicaid sales and marketing. These requirements and restrictions are revised from time to time. None of the jurisdictions in which we operate permit direct sales by Medicaid health plans.MEDICAREOverviewMedicare is a federal program that provides eligible persons ageÂ 65 and over, and some disabled persons, with a variety of hospital, medical insurance, and prescription drug benefits. Medicare is funded by Congress, and administered by CMS. Medicare beneficiaries may enroll in a Medicare Advantage plan, under which managed care plans contract with CMS to provide benefits that are comparable to original Medicare. Since 2006, Medicare beneficiaries have had the option of selecting a prescription drug benefit from an existing Medicare Advantage plan. The drug benefit, available to beneficiaries for a monthly premium, is subject to cost-sharing depending upon the specific benefit design of the selected plan. Over 12 million low-income elderly and disabled people qualify for both the Medicare and Medicaid programs (â€œdual eligibleâ€ individuals). These beneficiaries are more likely than other Medicare beneficiaries to be frail, live with multiple chronic conditions, and have functional and cognitive impairments. Medicare is their primary source of health insurance coverage. Medicaid supplements Medicare by paying for services not covered by Medicare, such as dental care and long-term care services and supports, and by helping to cover Medicareâ€™s premiums and cost-sharing requirements. Together, these two programs help to shield very low-income Medicare beneficiaries from potentially unaffordable out-of-pocket medical and long-term care costs.We expect our Medicare enrollment to increase by approximately 3% in 2025, to a total of 250,000 members by the end of the year, including the 39,000 members we added as a result of the ConnectiCare acquisition, effective February 1, 2025. In 2025, we are participating in Medicare in all our markets except Florida and Iowa.We participate in the following Medicare programs:â€¢Medicare Advantage-Part D (â€œMAPDâ€) â€“ We contract with CMS under the Medicare Advantage program to provide benefits in excess of original Medicare, including cost-sharing and enhanced prescription drug benefits under Part D, that are targeted towards low-income beneficiaries;â€¢Dual Eligible Special Needs Plan (â€œD-SNPâ€) â€“ We contract with CMS to provide benefits in excess of original Medicare, including care coordination complex case management and care management;â€¢Highly-Integrated Dual Special Needs Plans (â€œHIDEâ€) â€“ We contract with CMS and state Medicaid agencies to integrate care at a higher level than a typical D-SNP for dually eligible beneficiaries;â€¢Fully-Integrated Dual Special Needs Plans (â€œFIDEâ€) â€“ We contract with CMS and state Medicaid agencies to fully integrate care for dually eligible beneficiaries under a single managed care plan;â€¢Medicare-Medicaid Plans (â€œMMPâ€) â€“ To coordinate care and deliver services in a more financially efficient manner, some states have undertaken demonstration programs to integrate Medicare and Medicaid services for dual-eligible individuals. Our MMPs are transitioning to other products, as described further below.ContractsWe enter into MAPD contracts with CMS annually, and for D-SNP, HIDE, FIDE and MMP (collectively, â€œdual-eligible programsâ€), we enter into contracts with CMS, in partnership with each stateâ€™s department of health and human services. Such contracts typically have terms of one to three years.Status of MMP ContractsIn May 2022, CMS published a Final Rule that addressed the termination of the Financial Alignment Initiative Demonstration. Under a provision within the Final Rule, states can maintain their existing MMP through a two-year extension until December 31, 2025, so long as the applicable state provided CMS with a transition plan by October 1, 2022. In the proposed rule for contract year 2025, CMS has further provided states with a process for identifying a pathway to a FIDE or HIDE D-SNP plan. Our California MMP members were transitioned to Molinaâ€™s California EAE-SNP products early in 2023. In November 2024, our Ohio health plan was awarded a contract to provide benefits to the stateâ€™s Next Generation MyCare program. The new contract is expected to commence on January 1, 2026 in the 29 counties where MyCare Molina Healthcare, Inc. 2024 Form 10-K | 9Ohio is currently available, with statewide expansion of the program following as quickly as possible. In December 2024, our Michigan health plan was awarded a contract to provide benefits for the stateâ€™s HIDE D-SNP in eleven service regions. The new contract, which is expected to commence on January 1, 2026 in select regions, will be implemented statewide in 2027. In South Carolina, we expect MMP members to be cross-walked to a HIDE product without an RFP process. In Texas, we expect MMP members to be cross-walked to a FIDE product without an RFP process. Illinois has issued an RFP to transition MMP members to a FIDE D-SNP effective January 1, 2026. Basis for Premium RatesUnder Medicare Advantage, managed care plans contract with CMS, and for the dual-eligible programs with CMS and state governments, to provide benefits in exchange for a PMPM premium payment that varies based on health plan Star rating and member demographics, including county of residence and health risk factors. The premium payment considers inflation, non-benefit expense requirements, other Medicare Advantage bids submitted to CMS, changes in utilization patterns and average per capita fee-for-service Medicare costs in the calculation of the PMPM premium payment. Amounts payable to us under the dual-eligible programs and Medicare Advantage contracts are subject to annual revision by CMS, including any federal budget cuts or tax changes applicable to Medicare. We elect to participate in each Medicare service area or region on an annual basis. CMS developed the Medicare Advantage Star ratings system to help beneficiaries choose among competing plans, awarding between 1.0 and 5.0 stars to Medicare Advantage plans based on performance in certain measures of quality. The Star ratings are used by CMS to award quality bonus payments to Medicare Advantage plans. Beginning with the 2014 Star ratings, Medicare Advantage plans were required to achieve a minimum of 4.0 Stars to qualify for a quality bonus payment. In addition, a Medicare Advantage plan will be determined to be low-performing if it receives fewer than three stars for three consecutive years. Beginning in 2016, those Medicare plans that achieve less than a three-star rating for three consecutive years will be issued a notice of non-renewal of their contract for the following year. See further discussion of Star ratings under Operations/Quality.Medicare Advantage premiums are subject to retroactive increase or decrease based on the health status of our Medicare members, as measured by member risk scores determined pursuant to the CMS risk adjustment model. The data we provide to CMS to determine risk scores is subject to audit by CMS at the contract level, by plan year on an on-going basis. Such risk adjustment data validation (â€œRADVâ€) audits can result in retroactive and prospective premium adjustments. We record the estimated impact of audit settlements as a reduction to premium revenues, based upon available information, in the year that CMS determines repayment is required. On January 30, 2023, CMS finalized its approach to RADV audits, including its decision to extrapolate the results of audit samples when calculating payment errors, which will also not include the Fee-For-Service Adjuster. CMS will apply extrapolation to audits for the 2018 payment year. On November 14, 2024, CMS initiated the payment year 2018 MA RADV audits, and CMS expects to begin issuing payment year 2018 audit findings in mid-calendar year 2026. CMS also announced the removal of the Fee-For-Service Adjuster from the risk adjustment data validation audit methodology beginning for payment year 2018. On March 31, 2023, CMS issued its final 2024 Medicare Advantage Rate Announcement, which implements a three-year phase-in of certain changes to the methodology CMS will use to perform risk adjustment for plan years 2024 through 2026. Under the new risk adjustment model that was implemented in 2024, CMS has changed the manner by which over 2,000 diagnosis codes, across a range of disease and condition categories, are considered for purposes of patient risk scoring, with certain of these codes no longer impacting risk scoring. On April 1, 2024, CMS released the 2025 Medicare Advantage Rate Announcement, which continues the three-year phase in by blending 67% of the risk score calculated using the updated 2024 MA risk adjustment model with 33% of the risk score calculated using the 2020 MA risk adjustment model. In addition, CMS also finalized improvements to the Part D drug benefit for 2025, limiting out-of-pocket costs for prescription drugs for seniors to no more than $2,000. Compared with our Medicaid programs, Medicare programs generate higher average PMPM revenues and healthcare costs. For the year ended December 31, 2024, Medicare program PMPM premium rates ranged from $1,140 to $4,310.Member Enrollment and MarketingOur Medicare members may be enrolled through auto-assignment, as described above in â€œMedicaidâ€”Member Enrollment and Marketing,â€ or by enrolling in our plans with the assistance of insurance agents employed by Molina, outside brokers, or via the Internet. Generally, the enrollment period occurs between mid-October and early December for coverage that begins on the following January 1.Molina Healthcare, Inc. 2024 Form 10-K | 10Our Medicare marketing and sales activities are regulated by CMS and the states in which we operate. CMS has oversight over all marketing materials used by Medicare Advantage plans, and in some cases has imposed advance approval requirements. CMS generally limits sales activities to those conveying information regarding benefits, describing the operations of our managed care plans, and providing information about eligibility requirements. We employ our own insurance agents and contract with independent, licensed insurance agents to market our Medicare Advantage products. We have continued to expand our use of independent agents because the cost of these agents is largely variable and we believe the use of independent, licensed agents is more conducive to the shortened Medicare selling season and the open enrollment period. The activities of our independent, licensed insurance agents are also regulated by CMS. We also use direct mail, mass media and the Internet to market our Medicare Advantage products.MARKETPLACEOverviewThe ACA authorized the creation of Marketplace insurance exchanges, allowing individuals and small groups to purchase federally subsidized health insurance effective January 1, 2014. Marketplace plans must be ACA-compliant, meeting standards established by the federal government, including a requirement to cover certain essential health benefits. Certain beneficiaries qualify for premium tax credits and cost-sharing reductions based on annual household income. Plans are categorized by metal tiers (Platinum, Gold, Silver or Bronze), which determine how beneficiaries and the plan share costs (e.g., premiums, out-of-pocket costs and deductibles). We offer Marketplace plans in many of the states where we offer Medicaid health plans. Our plans allow our Medicaid members to stay with their providers as they transition between Medicaid and the Marketplace. Additionally, our plans remove financial barriers to quality care and seek to minimize members' out-of-pocket expenses. In 2025, we are participating in the Marketplace in all our markets except Arizona, Iowa, Massachusetts, Nebraska, New York, and Virginia.We expect our Marketplace enrollment to increase by almost 50% in 2025, to a total of 580,000 members by the end of the year, including the 66,000 members we added as a result of the ConnectiCare acquisition, effective February 1, 2025. This would represent an estimated Marketplace premium revenue increase of approximately 60% in 2025, while continuing to maintain our target margins.ContractsWe enter into contracts with CMS annually for the state Marketplace programs. These contracts have a one-year term ending on December 31, and must be renewed annually.Basis for Premium RatesFor Marketplace, we develop each stateâ€™s premium rates during the spring of each year for policies effective in the following calendar year. Premium rates are based on our estimates of utilization of services and unit costs, anticipated member risk acuity and related federal risk adjustment transfer amounts, and non-benefit expenses such as administrative costs, taxes, and fees. The premium rates are filed for approval with the various state and federal authorities in accordance with the rules and regulations applicable to the ACA individual market, including, but not limited to, minimum loss ratio thresholds and adjustments for permissible rate variations by age, geographic area, and variations in plan design. In the year ended December 31, 2024, Marketplace program PMPM premium rates ranged from $400 to $1,980. Member Enrollment and MarketingOur Marketplace members enroll in our plans with the assistance of insurance agents employed by Molina, outside brokers, vendors, direct to consumer marketing, and via the Internet.While our Marketplace sales activities are regulated by CMS (such as eligibility determinations), our marketing activities are regulated by the individual states in which we operate. Some states require us to obtain prior approval of our marketing materials, others simply require us to provide them with copies of our marketing materials, and some states do not request our marketing materials.Â We are able to freely contact our members and provide them with marketing materials as long as those materials are fair and do not discriminate.Our Marketplace sales and marketing strategy is to provide high quality, affordable, compliant and consumer-centric Marketplace products through a variety of distribution channels. Our Marketplace products are displayed on the Federally Facilitated Marketplace (â€œFFMâ€) and the State Based Marketplace (â€œSBMâ€) in the states in which we participate in the Marketplace. We also contract with independent, licensed insurance agents to market our Marketplace products. The activities of our independently licensed insurance agents are also regulated by both Molina Healthcare, Inc. 2024 Form 10-K | 11CMS and the departments of insurance in the states in which we participate. Our sales cycle typically peaks during the annual Open Enrollment Period (â€œOEPâ€) as defined and regulated by CMS and the applicable FFM and SBM.TRENDS AND UNCERTAINTIESREGULATORY DEVELOPMENTS AND RELATED TRENDSFederal Economic Stabilization and Other ProgramsThe COVID-19 pandemic was the worst public health crisis of the last 100 years, and a national public health emergency (â€œPHEâ€) was declared. The surge of COVID-19 cases, hospitalizations, and testing requirements put increased pressure on medical costs in 2020 and 2021. The increases were more than offset by a reduction in non-COVID related costs, including the postponement and cancellation of elective procedures; however, many of our state Medicaid partners implemented medical cost risk corridors, which resulted in increased rebate payments back to the states. The impact of the pandemic began to decrease in 2022, as the high levels of vaccination, widespread population immunity, and available treatments significantly reduced the risk of severe COVID-19 disease, hospitalization, and death. The Consolidated Appropriations Act of 2023 authorized states to resume redeterminations and terminate coverage for ineligible enrollees starting on April 1, 2023, irrespective of the status of the PHE. Consequently, all states in which we operate had begun disenrolling members, resulting in a loss of members that were gained due to the suspension of redetermination for Medicaid eligibility during the PHE. The PHE officially ended on May 11, 2023. There are several healthcare programs tied to the PHE which were impacted by this change in policy. These include coverage of COVID-19 testing and vaccines, changes to the Medicare fee schedule for COVID-related treatments, and free coverage of at-home COVID-19 diagnostic tests. Per federal statutory and regulatory requirements, some of these programs concluded with the end of the PHE, while some continued through 2024, and some are expected to remain in place permanently.OperationsEnrollment and Premium RevenueExcluding acquisitions and our exit from Puerto Rico, we estimate we added approximately one million new Medicaid members since March 31, 2020, when we first began to report on the impacts of the pandemic. We believe this membership increase was mainly due to the suspension of redeterminations for Medicaid eligibility. Due to the resumption of redeterminations discussed above, we estimate we lost approximately 675,000 members, based on our experience to date. The medical cost profile of members who have been disenrolled is more favorable than the Medicaid segment average, and when combined with higher utilization in our continuing population, our Medicaid MCR for the year ended December 31, 2024 was higher than our expectations and above our long-term target. Based on the experience to date, we expect that we will ultimately retain approximately 30% of the membership gained since March 31, 2020. LEGISLATIVE AND POLITICAL ENVIRONMENTPRESSURES ON FUNDINGDue to statesâ€™ budget challenges and political agendas at both the state and federal levels, there are a number of different legislative proposals being considered, some of which would involve significantly reduced federal or state spending on the Medicaid and Medicare programs, constitute a fundamental change to the federal role in healthcare and, if enacted, could have a material adverse effect on our business, financial condition, cash flows, or results of operations. These proposals include elements such as the following, as well as numerous other potential changes and reforms:â€¢Changes in the entitlement nature of Medicaid (and perhaps Medicare as well) by capping future increases in federal health spending for these programs, reducing the FMAP, paid to states by the federal government, overall or solely for the ACA Medicaid expansion population in states, and shifting much more of the risk for health costs in the future to states and consumers;â€¢Reversing the ACAâ€™s expansion of Medicaid that enables states to cover low-income childless adults;â€¢Changing Medicaid to a state block grant program, including potentially capping spending on a per-enrollee basis;â€¢Requiring Medicaid beneficiaries to work;â€¢Limiting the amount of lifetime benefits for Medicaid beneficiaries;â€¢Raising Medicare eligibility to age 67; andâ€¢In some states, shifting to an alignment of Medicaid and Medicare for dual eligible members.Molina Healthcare, Inc. 2024 Form 10-K | 12Recently, members of the U.S. House of Representatives have started to weigh a series of legislative proposals targeting Medicaid, Medicare, and other entitlement programs as part of a broader campaign to reduce federal spending, and they may pursue these spending cuts in exchange for their support of raising the debt ceiling, the legal cap that allows the U.S. government to borrow money to pay its bills. In addition, President Trump has issued a number of executive orders intended to reduce government spending, and we expect there will be continued proposals targeting reimbursement methodologies and the number of individuals eligible for government healthcare programs. AFFORDABLE CARE ACTIn addition to past proposals calling for the full repeal of the Affordable Care Act - proposals which could be renewed again in the future - proposed changes and reforms to the ACA have included, or may include, the following:â€

¢Eliminating or reducing the advanced premium tax credits and cost sharing reductions for low-income individuals who purchase their health insurance through the Marketplaces;â€¢Expanding and encouraging the use of private health savings accounts;â€¢Providing for insurance plans that offer fewer and less extensive health insurance benefits than under the ACAâ€™s essential health benefits package, including broader use of catastrophic coverage plans, or short-term health insurance;â€¢Establishing and funding high risk pools or reinsurance programs for individuals with chronic or high-cost conditions; andâ€¢Allowing insurers to sell insurance across state lines.The passage of any of these changes or other reforms could have a material adverse effect on our business, financial condition, cash flows, or results of operations.OPERATIONSQUALITYOur long-term success depends, to a significant degree, on the quality of the services we provide. We are focused on providing our members effective and appropriate access to care at the right time and in the right setting, including preventive health and wellness and care management. We offer our government customers, members and providers reliable service and a seamless experience. As of DecemberÂ 31, 2024, 19 of our health plans were accredited by the National Committee for Quality Assurance (â€œNCQAâ€), and 17 of our health plans have earned NCQAâ€™s Health Equity Accreditation, which is awarded to organizations that lead the market in providing culturally and linguistically sensitive services and work to reduce disparities in health care. Additionally, eight health plans earned NCQAâ€™s Long Term Services and Supports Distinction. We believe that these objective measures of quality are important to state Medicaid agencies, as a growing number of states link reimbursement and patient assignment to quality scores. In October 2022, CMS published its updated Medicare 2023 Star Ratings based on plan year 2021 data. For the 2023 Star Ratings, five of our plans had a decrease of 0.5 Stars, two of our plans had a decrease of 1 Star, one plan had a decrease of 1.5 Stars, and two plans either maintained or increased Star Ratings by 0.5. The decreases to the 2023 Star Ratings impacted the 2024 bonus year payments. In October 2023, CMS published its updated Medicare 2024 Star Ratings based on plan year 2022 data. For the 2024 Star Ratings, three of our plans had a decrease of 0.5 Stars, one of our plans had a decrease of 1 Star, four plans maintained their ratings, and one plan had an increase of 0.5 Stars. The decreases to the 2024 Star Ratings impact the 2025 bonus year payments. In October 2024, CMS published its updated Medicare 2025 Star Ratings based on plan year 2023 data. For the 2025 Star Ratings, six plans maintained their ratings, two plans had an increase of 0.5 Stars, and one plan had an increase of 1 Star, and three of our plans had a decrease of 0.5 Stars. The 2025 Star Rating included an additional plan reaching 3.5 Stars, strengthening our 2026 rebates. Approximately 45% of our 2025 Medicare premium revenue is not impacted by Star Ratings. We are actively working on improvement plans and remain committed to invest in these programs to improve our quality Star scores with a focus on member experience and access measures. Molina Healthcare, Inc. 2024 Form 10-K | 13For the states where our health plans are accredited by the NCQA and/or have Medicare Star Ratings, the table below presents such health plansâ€™ NCQA status, as well as their current scores as part of the Medicare Star Ratings, which measures the quality of Medicare plans across the country using a 5-star rating system. PROVIDERSWe arrange healthcare services for our members through contracts with a vast network of providers, including independent physicians and physician groups, hospitals, ancillary providers, and pharmacies. We strive to ensure that our providers have the appropriate expertise and cultural and linguistic experience. The quality, depth and scope of our provider network are essential if we are to ensure quality, cost-effective care for our members. In partnering with quality, cost-effective providers, we utilize clinical and financial information derived by our medical informatics function, as well as the experience we have gained in serving Medicaid members, to gain insight into the needs of both our members and our providers. PhysiciansWe contract with both primary care physicians and specialists, many of whom are organized into medical groups or independent practice associations. Primary care physicians provide office-based primary care services. Primary care physicians may be paid under capitation or fee-for-service contracts and may receive additional compensation by providing certain preventive care services. Under capitation payment arrangements, healthcare providers receive fixed, pre-arranged monthly payments per enrolled member, whereas under fee-for-service payment arrangements, healthcare providers are paid a fee for each particular service rendered. Our specialists care for patients for a specific episode or condition, usually upon referral from a primary care physician, and are usually compensated on a fee-for-service basis. When we contract with groups of physicians on a capitated basis, we monitor their solvency. Molina Healthcare, Inc. 2024 Form 10-K | 14HospitalsWe generally contract with hospitals that have significant experience dealing with the medical needs of the Medicaid population. We reimburse hospitals under a variety of payment methods, including fee-for-service, per diems, diagnostic-related groups, capitation, and case rates.Ancillary ProvidersOur ancillary agreements provide coverage of medically-necessary care, including laboratory services, home health, physical, speech and occupational therapy, durable medical equipment, radiology, ambulance and transportation services, and are reimbursed on a capitation and fee-for-service basis.PharmacyWe outsource pharmacy benefit management services, including claims processing, pharmacy network contracting, rebate processing and mail and specialty pharmacy fulfillment services. Via a â€œMarket Checkâ€ provision in the agreement with our long-standing pharmacy benefit management (â€œPBMâ€) company, CVS Caremark (â€œCaremarkâ€), we re-negotiated network and administrative costs (for calendar years 2024 through 2026) to Molinaâ€™s benefit. The benefit was largely driven by improvements in network rates, partially offset by higher administrative costs.MEDICAL MANAGEMENTOur mission is to improve the health outcomes and lives of our members by delivering high-quality healthcare. We believe our singular focus on government-sponsored healthcare enables us to identify and implement efficiencies that distinguish us as the low-cost, high-quality health plan of choice. We emphasize primary care physicians as the central point of delivery for routine and preventive care, coordination of referrals to specialists, and appropriate assessment of the need for hospital care. This model has proved to be an effective method of coordinating medical care for our members.Utilization Management Our goal is to optimize access to low-cost, high-quality care. This is achieved by sound clinical policy based on current evidence-based practices. Additionally, we continuously monitor utilization patterns and strive to identify new opportunities to reduce costs and improve quality of care. Our utilization management process serves as a bridge to identify at-risk members for referral into internally developed case management programs such as â€œTransitions of Care,â€ which facilitates post-discharge safety and appropriate outcomes.Population Management We believe high-quality, affordable care is achieved through a variety of programs tailored to our membersâ€™ emerging needs. Individuals are identified for interventions, and programs are customized, based on predictive analytics and our member assessment process. These tools ensure that the appropriate level of services and support are provided to address physical health, behavioral health, and social determinants of health.Â This comprehensive and customized approach is designed to help members achieve their goals and improve their overall quality of life.Pharmacy Management Our pharmacy programs are designed to make us a trusted partner in improving member health and healthcare affordability. We strategically partner with physicians and other healthcare providers who treat our members. This collaboration results in drug formularies and clinical initiatives that promote improved patient care. We employ full-time pharmacists and pharmacy technicians who work closely with providers to educate them about our formulary products, clinical programs, and the importance of cost-effective care.Medical Cost Management We use various strategies to mitigate the negative effects of healthcare cost inflation. Specifically, our health plans use coordination of care programs for our members, product and benefit designs, hospital inpatient management systems, sophisticated analytics, and care management programs related to complex chronic conditions, prenatal and premature infant care and certain other conditions. Our health plans emphasize preventive healthcare and appropriate use of specialty and hospital services with their contracted independent providers. There can be no assurance, however, that our strategies to mitigate medical care cost inflation will be successful. Competitive pressures, new healthcare and pharmaceutical product introductions, demands from healthcare providers and customers, applicable regulations, or other factors may affect our ability to control medical care costs.Molina Healthcare, Inc. 2024 Form 10-K | 15INFORMATION TECHNOLOGYOur business is dependent on effective and secure information systems that assist us in processing provider claims, monitoring utilization and other cost factors, supporting our medical management techniques, providing data to our regulators, and implementing our data security measures. Our members and providers also depend upon our information systems for enrollment, premium processing, primary care and specialist physician roster access, membership verifications, claims status, provider payments, and other information.We have partnered with third parties to support our information technology systems. This makes our operations vulnerable to adverse effects if such third parties fail to perform adequately. In 2019, we entered into an agreement with a third-party vendor who manages certain of our information technology services including, among other things, our infrastructure operations, end-user services, data centers, public cloud and application management. In 2022, we extended our agreement for an additional seven years. As a result of the agreement, we were able to reduce our administrative expenses, while improving the reliability of our information technology functions, and maintain targeted levels of service and operating performance. A portion of these services are provided on our premises, while other portions of the services are performed at the vendorâ€™s facilities. Our information systems require an ongoing commitment of significant resources to maintain, protect, and enhance existing systems and develop new systems to keep pace with continuing changes in information processing technology, evolving systems and regulatory standards, changing customer preferences, acquisitions and increased security risks.CENTRALIZED SERVICESWe provide certain centralized medical and administrative services to our subsidiaries pursuant to administrative services agreements that include, but are not limited to, information technology, product development and administration, underwriting, claims processing, customer service, certain care management services, human resources, marketing, purchasing, risk management, actuarial, finance, accounting, compliance, legal and public relations.COMPETITIVE CONDITIONS AND ENVIRONMENTWe face varying levels of competition. Healthcare reform proposals may cause organizations to enter or exit the market for government-sponsored health programs. However, the licensing requirements and bidding and contracting procedures in some states may present partial barriers to entry into our industry.We compete for government contracts, renewals of those government contracts, members, and providers. State agencies consider many factors in awarding contracts to health plans. Among such factors are the health planâ€™s provider network, quality scores, medical management, degree of member satisfaction, timeliness of claims payment, and financial resources. Potential members typically choose a health plan based on a specific provider being a part of the network, the quality of care and services available, accessibility of services, and reputation or name recognition of the health plan. We believe factors that providers consider in deciding whether to contract with a health plan include potential member volume, payment methods, timeliness and accuracy of claims payment, and administrative service capabilities.MedicaidThe Medicaid managed care industry is subject to ongoing changes as a result of healthcare reform, business consolidations and new strategic alliances. We compete with national, regional, and local Medicaid managed care companies, and health maintenance organizations, principally on the basis of size, location, quality of the provider network, quality of service, and reputation. There is increasing competition driven by renewed interest from large national health plans. Our primary competitors in the Medicaid managed care industry include Centene Corporation, CVS Health Corporation, Elevance Health, Inc., UnitedHealth Group Inc., and large not-for-profit healthcare organizations. Competition can vary considerably from state to state, and some of our competitors have larger membership bases and/or greater financial resources than our health plans in the markets in which we compete. MedicareThe Medicare market is highly competitive across the country, with large competitors, such as CVS Health Corporation, Humana Inc., and UnitedHealth Group Inc.MarketplaceMargins and the risk pool are stabilizing with the market returning to rational pricing; however, a potential sunset of enhanced subsidiaries creates risk to near-term growth and risk pool stability. Low-income members who receive Molina Healthcare, Inc. 2024 Form 10-K | 16government subsidies comprise the vast majority of Marketplace membership, which is served by a limited number of health plans. Our primary competitor for low-income Marketplace membership is Centene Corporation.REGULATIONOur health plans are highly regulated by both state and federal government agencies. Regulation of managed care products and healthcare services varies from jurisdiction to jurisdiction, and changes in applicable laws and rules occur frequently. Regulatory agencies generally have discretion to issue regulations and interpret and enforce laws and rules. Compliance with such laws and rules may lead to additional costs related to the implementation of additional systems, procedures and programs that we have not yet identified. Such agencies have become increasingly active in recent years in their review and scrutiny of health insurers and managed care organizations, including those operating in the Medicaid and Medicare programs.HIPAA AND THE HITECH ACT In 1996, Congress enacted the Health Insurance Portability and Accountability Act (â€œHIPAAâ€). All health plans are subject to HIPAA, including ours. HIPAA generally requires health plans to:â€¢Establish the capability to receive and transmit electronically certain administrative healthcare transactions, such as claims payments, in a standardized format;â€¢Afford privacy to patient health information;Â andâ€¢Protect the privacy of patient health information through physical and electronic security measures.In 2009, the Health Information Technology for Economic and Clinical Health Act (â€œHITECHâ€) imposed requirements on uses and disclosures of health information; included requirements for HIPAA business associate agreements; extended parts of HIPAA privacy and security provisions to business associates; added data breach notification requirements for covered entities and business associates and reporting requirements to the U.S. Department of Health and Human Services (â€œHHSâ€) and, in some cases, to the media; strengthened enforcement; and imposed higher financial penalties for HIPAA violations. In the conduct of our business, depending on the circumstances, we may act as either a covered entity and/or a business associate.Â HIPAA privacy regulations do not preempt more stringent state privacy laws and regulations that may apply to us.We maintain a HIPAA compliance program, which we believe complies with HIPAA privacy and security regulations, and monitor our compliance with applicable state and federal privacy and security laws and regulations.Healthcare reform created additional tools for fraud prevention, including increased oversight of providers and suppliers participating or enrolling in Medicaid, CHIP, and Medicare. Those enhancements included mandatory licensure for all providers, and site visits, fingerprinting, and criminal background checks for higher risk providers. FRAUD AND ABUSE LAWS AND THE FALSE CLAIMS ACTBecause we receive payments from federal and state governmental agencies, we are subject to various laws commonly referred to as â€œfraud and abuseâ€ laws, including federal and state anti-kickback statutes, prohibited referrals, and the federal False Claims Act, which permit agencies and enforcement authorities to institute a suit against us for violations and, in some cases, to seek treble damages, criminal and civil fines, penalties, and assessments. Violations of these laws can also result in exclusion, debarment, temporary or permanent suspension from participation in government healthcare programs, or the institution of corporate integrity agreements. Liability under such federal and state statutes and regulations may arise if we know, or it is determined that we should have known, that information we provide to form the basis for a claim for government payment is false or fraudulent. Fraud, waste and abuse prohibitions encompass a wide range of operating activities, including kickbacks or other inducements for referral of members or for the coverage of products (such as prescription drugs) by a plan, billing for unnecessary medical services by a provider, upcoding, payments made to excluded providers, improper marketing, and the violation of patient privacy rights. In particular, there has recently been increased scrutiny by the Department of Justice on health plansâ€™ risk adjustment practices, particularly in the Medicare program. Companies involved in government healthcare programs such as Medicaid and Medicare are required to maintain compliance programs to detect and deter fraud, waste and abuse, and are often the subject of fraud, waste and abuse investigations and audits. The federal government has taken the position that claims presented in violation of the federal anti-kickback statute may be considered a violation of the federal False Claims Act. In addition, under the federal civil monetary penalty statute, the HHS Office of Inspector General has the authority to impose civil penalties against any person who, among other things, knowingly presents, or causes to be presented, certain false or otherwise improper claims. Qui tam actions under federal and state law are brought by a private individual, known as a relator, on behalf of the Molina Healthcare, Inc. 2024 Form 10-K | 17government. A relator who brings a successful qui tam lawsuit can receive 15 to 30 percent of the damages the government recovers from the defendants, which damages are trebled under the False Claims Act. Because of these financial inducements offered to plaintiffs, qui tam actions have increased significantly in recent years, causing greater numbers of healthcare companies to incur the costs of having to defend false claims actions, many of which are spurious and without merit. In addition, meritorious false claims actions could result in fines, or debarment from the Medicare, Medicaid, or other state or federal healthcare programs.LICENSING AND SOLVENCYOur health plans are generally licensed by the insurance departments in the states in which they operate, except the following: our California health plans are licensed by the California Department of Managed Health Care; one of our New York health plans is licensed as a prepaid health services plan by the New York State Department of Health; and our Massachusetts health plan is regulated as a risk-bearing entity by the Massachusetts Executive Office of Health and Human Services.Our health plans are subject to stringent requirements to maintain a minimum amount of statutory capital determined by statute or regulation, and restrictions that limit their ability to pay dividends to us. For further information, refer to the Notes to Consolidated Financial Statements, Note 15, â€œCommitments and Contingenciesâ€”Regulatory Capital Requirements and Dividend Restrictions.â€HUMAN CAPITAL As of DecemberÂ 31, 2024, we had just over 18,000 employees. Our diverse employee population reflects the diversity of the members and communities we serve.We continue to focus on providing opportunities for our employees that are intellectually stimulating and emotionally fulfilling, and programs and benefits that are financially rewarding. We are also focused on attracting and retaining top talent in a competitive market. We continue to introduce improvements focused on employee development, leader effectiveness, hiring strategies, and human capital policies and practices. We believe these improvements help us to achieve our goal to become a destination employer in the government-sponsored healthcare industry.Annually, we invite all employees to participate in our engagement survey. The purpose of our survey is to obtain honest, comprehensive feedback on what is going well, and which strategic, operational or cultural concerns are top of mind for our employees. Our results demonstrate improvement and exceed industry benchmarks.Succession planning and managing our talent pipelines continue to be key to our human capital strategy. We regularly monitor high performer retention and development. Our performance management practices and pay and recognition programs are aligned with meeting and exceeding our corporate objectives. The board of directors has purview to our employee engagement survey results, key executive performance, and succession planning.We offer formal leadership development programs including new leader orientation, executive onboarding, front-line leadership essentials, and experienced leader development. We have targeted development plans for critical roles with an emphasis on leadership and business acumen. We invest in our workforce through market competitive total rewards including pay, benefits and time-off. Our pay and recognition programs are designed to engage, motivate and reward top performers and attract new talent. To foster ownership and align the interests of employees with shareholders, we offer an Employee Stock Purchase Plan and grant equity-based compensation under our long-term incentive plan to eligible employees.We also offer a comprehensive suite of benefits to all eligible employees, including, among others:â€¢Comprehensive health insurance coverage for employees working 30 hours or more per week;â€¢401(k) employer matching contributions of up to 100% on the first 4% contributed by the employee;â€¢Personal time off that provides employees with paid time away from work, combining vacation and sick leave;â€¢Paid parental leave to support bonding time for new parents; â€¢Volunteer time off that provides employees with paid time away from work to build strong community partnerships and connect with the people we serve;â€¢Employee wellness programs that provide tools and incentives to live a healthy life focusing on physical, emotional, financial, and work well-being;â€¢Supplemental life insurance and disability plans to provide financial security for our employees and their families;â€¢Employee discount and other programs, including tuition reimbursement; andMolina Healthcare, Inc. 2024 Form 10-K | 18â€¢Employee assistance program benefits that provide up to six confidential counseling sessions per rolling 12-month period and includes assistance with physical, emotional, and financial related matters.AVAILABLE INFORMATIONOur principal executive offices are located at 200 Oceangate, Suite 100, Long Beach, California 90802, and our telephone number is (562) 435-3666. You can access our website at www.molinahealthcare.com to learn more about our Company. From that site, you can download and print copies of our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K, along with amendments to those reports. You can also download our Corporate Governance Guidelines, board of directorsâ€™ committee charters, Code of Business Conduct and Ethics and Environmental, Social and Governance Report. We make periodic reports and amendments available, free of charge, as soon as reasonably practicable after we file or furnish these reports to the U.S. Securities and Exchange Commission (â€œSECâ€). Additionally, the SEC maintains their website, http://www.sec.gov, that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. We will also provide a copy of any of our corporate governance policies published on our website free of charge, upon request. To request a copy of any of these documents, please submit your request to: Molina Healthcare, Inc., 200 Oceangate, Suite 100, Long Beach, California 90802, Attn: Investor Relations. Information on or linked to our website (including the charters, reports, policies and documents noted above) is neither part of nor incorporated by reference into this Form 10-K or any other SEC filings. Molina Healthcare, Inc. 2024 Form 10-K | 19Item 1A. RISK FACTORSOur business involves significant risks. You should carefully consider the risks described below and all of the other information set forth in this Form 10-K, including our consolidated financial statements and accompanying notes. These risks and other factors may affect our forward-looking statements, including those we make in this Form 10-K or elsewhere, such as in press releases, presentations to securities analysts or investors, or other communications made by or with the approval of one of our executive officers. If any of the following risks actually occurs, our business, financial condition, results of operations, and future prospects could be materially and adversely affected. In that event, among other effects, the trading price of our common stock could decline, and you could lose part or all of your investment.RISKS RELATED TO OUR BUSINESSIf the responsive bids of our health plans for new or renewed Medicaid contracts are not successful, or if our government contracts are terminated or are not renewed on favorable terms, our premium revenues could be materially reduced and our operating results could be negatively impacted.We currently derive our premium revenues from health plans that operate in 21 states. Our Medicaid premium revenue constituted 79% of our consolidated premium revenue in the year ended December 31, 2024. Measured by Medicaid premium revenue by health plan, our top four health plans were in California, New York, Texas, and Washington, with aggregate Medicaid premium revenue of $15.6 billion, or approximately 51% of total Medicaid premium revenue, in the year ended December 31, 2024. If we are unable to continue to operate in any of our existing jurisdictions, or if our current operations in those jurisdictions or any portions of those jurisdictions are significantly curtailed or terminated entirely, our revenues could decrease materially.Many of our government contracts are effective only for a fixed period of time and will only be extended for an additional period of time if the contracting entity elects to do so. When our government contracts expire, they may be opened for bidding by competing health plans, and there is no guarantee that the contracts will be renewed or extended. Even if our contracts are renewed or extended, there can be no assurance that they will be renewed or extended on the same terms or without a reduction in the applicable service areas. Even if our responsive bids are successful, the bids may be based upon assumptions regarding enrollment, utilization, medical costs, or other factors which could result in the contract being less profitable than we had expected or could result in a net loss. Furthermore, our contracts contain certain provisions regarding, among other things, eligibility, enrollment and dis-enrollment processes for covered services, eligible providers, periodic financial and information reporting, quality assurance and timeliness of claims payment, and are subject to cancellation if we fail to perform in accordance with the standards set by regulatory agencies.Receipt of inadequate or significantly delayed premiums could negatively affect our business, financial condition, cash flows, or results of operations. Our premium revenues consist of fixed monthly payments per member, and supplemental payments for other services such as maternity deliveries. These premiums are fixed by contract, and we are obligated during the contract periods to provide healthcare services as established by the state governments in which our health plans operate. We use a large portion of our revenues to pay the costs of healthcare services delivered to our members. If premiums do not increase when expenses related to healthcare services rise, our medical margins will be compressed, and our earnings will be negatively affected. If the actuarial assumptions made by a state in implementing a rate or benefit change or update are incorrect or are at variance with the prevailing medical cost trend or particular utilization patterns of the members of one or more of our health plans, our medical margins could be reduced. In addition, a state could increase hospital or other provider rates without making a commensurate increase in the rates paid to us, could lower our rates without making a commensurate reduction in the rates paid to hospitals or other providers, or could delay the processing of rate changes. Any of these rate adjustments in one or more of the states in which we operate could have a material adverse effect on our business, financial condition, cash flows, or results of operations.Our Marketplace business has been volatile and unpredictable in the past. We offer Marketplace plans in many of the states where we offer Medicaid health plans. In 2025, we are participating in the Marketplace in all our markets except Arizona, Iowa, Massachusetts, Nebraska, New York, and Virginia. Our Marketplace plans allow our Medicaid members to stay with their providers as they transition between Medicaid and the Marketplace. Additionally, our plans remove financial barriers to quality care and seek to minimize Molina Healthcare, Inc. 2024 Form 10-K | 20members' out-of-pocket expenses. We develop each stateâ€™s Marketplace premium rates during the spring of each year for policies effective in the following calendar year. Premium rates are based on our estimates of utilization of services and unit costs, anticipated member risk acuity and related federal risk adjustment transfer amounts, and non-benefit expenses such as administrative costs, taxes, and fees. In the year ended December 31, 2024, Marketplace program PMPM premium rates ranged from $400 to $1,980. Marketplace plan selection by members is highly price sensitive, and the Marketplace markets in general are highly volatile and unpredictable from year to year. Most of our Marketplace members are eligible to receive government-subsidized premium subsidies. These subsidies are currently scheduled to expire at the end of 2025. Any variation from our cost expectations regarding acuity, enrollment levels, adverse selection, or other assumptions utilized in setting premium rates, could have a material adverse effect on our results of operations, financial position, and cash flows. In addition, the non-renewal of Marketplace premium subsidies starting in 2026 could negatively impact our Marketplace enrollment. We are subject to risks associated with outsourcing services and functions to third parties. We contract with third party vendors and service providers who provide services to us and our subsidiaries or to whom we delegate selected functions. Some of these third parties have direct access to our systems. Our arrangements with third party vendors and service providers may make our operations vulnerable if those third parties fail to satisfy their obligations to us, including their obligations to maintain and protect the security and confidentiality of our information and data or the information and data relating to our members or customers. We are also at risk of a data security incident involving a vendor or third party, which could result in a breakdown of such third partyâ€™s data protection processes or cyber-attackers gaining access to our infrastructure through the third party. To the extent that a vendor or third party suffers a data security incident that compromises its operations, we could incur significant costs and possible service interruption. Any contractual remedies and/or indemnification obligations we may have for vendor or service provider failures or incidents may not be adequate to fully compensate us for any losses suffered as a result of any vendorâ€™s failure to satisfy its obligations to us or under applicable law. Violations of, or noncompliance with, laws and/or regulations governing our business or noncompliance with contract terms by third party vendors and service providers could increase our exposure to liability to our members, providers, or other third parties, or could result in sanctions and/or fines from the regulators that oversee our business. In turn, this could increase the costs associated with the operation of our business or have an adverse impact on our business and reputation. Moreover, if these vendor and service provider relationships were terminated for any reason, we may not be able to find alternative partners in a timely manner or on acceptable financial terms. We may incur significant costs and/or experience significant disruption to our operations in connection with any such vendor or service provider transition. As a result, we may not be able to meet the full demands of our members or customers and, in turn, our business, financial condition, and results of operations may be harmed. If we or one of our vendors sustain a cyber-attack or suffer a data privacy or security breach, we could suffer operational impact, increased costs, exposure to significant liability, reputational harm, loss of business, and other serious negative consequences.As part of our normal operations, we routinely collect, process, store (both onsite and in the cloud), and transmit large amounts of data, including sensitive personal information as well as proprietary or confidential information relating to our business or third parties. Our information technology systems and safety control systems that we rely upon are subject to a growing number of threats, such as state-sponsored organizations, opportunistic hackers and hacktivists, as well as through diverse attack vectors, such as social engineering/phishing, malware (including ransomware), malfeasance by insiders, human or technological error, and as a result of malicious code embedded in open-source software, or misconfigurations, bugs or other vulnerabilities in commercial software that is integrated into our (or our suppliersâ€™ or service providersâ€™) IT systems, products or services. Such threats may result in the penetration of our network or that of our vendors or suppliers, and the misappropriation of our confidential information, system disruptions, damage to our information systems, or shutdowns of our information technology environment. They also may be able to develop and deploy viruses, worms, and other malicious software programs that attack our systems or otherwise exploit security vulnerabilities. We may also face increased cybersecurity risks due to our reliance on internet technology and our remote working environment, which may create additional opportunities for cybercriminals to exploit vulnerabilities. These same risks are also faced by our significant vendors who are also in possession of sensitive confidential information. Because the techniques used to circumvent, gain access to, or sabotage security systems can be highly sophisticated, may use advanced technologies (such as artificial intelligence) and change frequently, they often are not recognized until launched against a target, and may originate from less regulated and remote areas around the world. We may be unable to anticipate these techniques or implement adequate preventive measures, resulting in potential inappropriate access, breach, or data loss and damage to our systems. Our systems are also subject to compromise from internal threats such as improper action by employees, including malicious insiders, or by vendors, counterparties, and other third parties with otherwise legitimate access to our systems. Our policies, employee training (including phishing prevention training), Molina Healthcare, Inc. 2024 Form 10-K | 21procedures, and technical safeguards may not prevent all improper access to our network or proprietary or confidential information by employees, vendors, counterparties, or other third parties. Our facilities and IT systems, or those of our service providers, may also be vulnerable to security incidents or security attacks, acts of vandalism or theft, misplaced or lost data, human errors, or other similar events that could negatively affect our systems and our and our membersâ€™ data. For example, in July 2024, a software update by CrowdStrike Holdings, Inc. (â€œCrowdStrikeâ€), a cybersecurity technology company, cause widespread crashes of Windows systems into which it was integrated. Although we did not experience any material impacts as a result of the CrowdStrike software update, we could in the future experience similar third-party software-induced interruptions to our operations.Moreover, we face the ongoing challenge of managing access controls in a complex environment. The process of enhancing our protective measures can itself create a risk of systems disruptions and security issues. Given the breadth of our operations and the increasing sophistication of cyberattacks, a particular incident could occur and persist for an extended period of time before being detected. The extent of a particular cyberattack and the steps that we may need to take to investigate the attack may take a significant amount of time before such an investigation could be completed and full and reliable information about the incident is known. During such time, the extent of any harm or how best to remediate it might not be known, which could further increase the risks, costs, and consequences of a data security incident. In addition, our systems must be routinely updated, patched, and upgraded to protect against known vulnerabilities. The volume of new software vulnerabilities has increased substantially, as has the importance of patches and other remedial measures. In addition to remediating newly identified vulnerabilities, previously identified vulnerabilities must also be updated. We are at risk that cyber attackers exploit these known vulnerabilities before they have been addressed. The complexity of our systems and platforms, the increased frequency at which vendors are issuing security patches to their products, our need to test patches and, in some instances, coordinate with third parties before they can be deployed, all could further increase our risks.Where doing so is necessary in order to conduct our business, we also provide sensitive personal member information, as well as proprietary or confidential information relating to our business, to our third-party service providers. Those third-party service providers may also be subject to data intrusions or data breaches. For example, in February 2024, Change Healthcare (â€œCHCâ€), a major claims processing vendor to Molina, experienced a significant cybersecurity incident and has since notified Molina that certain membersâ€™ data has been breached. Though the CHC incident was not material to us, any compromise of the confidential data of our members, employees, or business, or the failure to prevent or mitigate the loss of or damage to this data through breach, could result in operational, reputational, competitive, or other business harm, as well as financial costs and regulatory action. The Company maintains cybersecurity insurance in the event of an information security or cyber incident. However, the coverage may not be sufficient to cover all financial losses.In the future, we may be subject to litigation and governmental investigations related to cyber-attacks and security breaches. Any such future litigation or governmental investigation could divert the attention of management from the operation of our business, result in reputational damage, and have a material adverse impact on our business, cash flows, financial condition, and results of operations. Moreover, our programs to detect, contain, and respond to data security incidents as well as contingency plans and insurance coverage for potential liabilities of this nature may not be sufficient to cover all claims and liabilities.Noncompliance with any privacy, security or data protection laws and regulations, or any security breach, cyber-attack, or cyber-security breach, and any incident involving the misappropriation, theft, loss, or other unauthorized disclosure or use of, or access to, sensitive or confidential information, whether by us or by one of our third-party service providers, could require us to expend significant resources to continue to modify or enhance our protective measures and to remediate any damage. In addition, this could negatively affect our operations, cause system disruptions, damage our reputation, cause membership losses and contract breaches, and could also result in regulatory enforcement actions, material fines and penalties, litigation, or other actions that could have a material adverse effect on our business, cash flows, financial condition, or results of operations.We may be unable to successfully integrate our acquisitions or realize the anticipated benefits of such acquisitions.Our growth strategy includes the pursuit of targeted inorganic growth opportunities that we believe will provide a strategic fit, leverage operational synergies, and lead to incremental earnings accretion. For example, in January 2024 we closed on the acquisition of Bright Health Medicare and in February 2025 we closed on the acquisition of ConnectiCare. The integration of acquired businesses with our existing business is a complex, costly, and time-consuming process. The success of acquisitions we make will depend, in part, on our ability to successfully combine our existing business with such acquired businesses and realize the anticipated benefits, including Molina Healthcare, Inc. 2024 Form 10-K | 22synergies, cost savings, growth in earnings, innovation, and operational efficiencies. If we are unable to achieve these objectives within the anticipated time frame, or at all, the anticipated benefits may not be fully realized, or may take longer to realize than expected.Our acquisitions and the related integration activities involve a number of risks, including the following:â€¢The transition services that a seller may have agreed to provide following the closing may not be provided in a timely or efficient manner, or certain necessary transition services may not be provided at all; similarly, any agreement by us to provide â€œreverse transition servicesâ€ to a seller may be unduly burdensome, inefficient, and costly;â€¢Unforeseen expenses or delays associated with the acquisition and/or integration;â€¢The assumptions underlying our expectations regarding the integration process or the expected benefits to be achieved from an acquisition may prove to be incorrect;â€¢Maintaining employee morale and retaining key management and other employees, and satisfactorily addressing any differences in corporate culture;â€¢Difficulties retaining the business and operational relationships of the acquired business, and attracting new business and operational relationships;â€¢Unanticipated attrition in the membership of the acquired business pending the completion of the proposed transaction or after the closing of the transaction;â€¢Unanticipated difficulties or costs in integrating information technology, communications, and other systems, consolidating corporate and administrative infrastructures, and eliminating duplicative operations;â€¢Attention to integration activities may divert managementâ€™s attention from ongoing business concerns, which could result in performance shortfalls;â€¢Successfully addressing the challenges inherent in managing a larger company and coordinating geographically separate organizations; andâ€¢Delays in obtaining, or inability to obtain, necessary state or federal regulatory approvals, or such approvals may impose conditions that were not anticipated.Many of these factors are outside of our control, and any one of them could result in delays, increased costs, decreases in the amount of expected revenues, and diversion of management's time and energy, which could have a material adverse effect on our business, financial condition, cash flows, or results of operations. There can be no assurances that we will be successful in managing our expanded operations as a result of acquisitions or that we will realize the expected growth in earnings, operating efficiencies, cost savings, or other benefits. We may be unable to sustain our projected rate of growth due to a lack of merger and acquisition opportunities. Many of the targets of our strategic transactions have been non-profit entities. If the number of health care entities willing and able to enter into consolidation transactions with us declines in the future, we may be unable to fully achieve our growth strategy, which could have an adverse effect on our business, financial condition, or results of operations. Failure to attain profitability in any newly acquired health plans or new start-up operations could negatively affect our results of operations. Start-up costs associated with a new business can be substantial. For example, to obtain a certificate of authority to operate as a health maintenance organization in most jurisdictions, we must first establish a provider network, develop and establish infrastructure and required systems, and demonstrate our ability to process claims. In 2023, we incurred substantial one-time contract implementation costs related to our expansions in Los Angeles County, Iowa, and Nebraska. Often, we are also required to contribute significant capital to fund mandated net worth requirements, performance bonds or escrows, or contingency guaranties. If we are unsuccessful in obtaining a certificate of authority, winning the bid to provide services, building out our provider network, or attracting and retaining members in sufficient numbers to cover our start-up costs, the new business could fail, or the losses we incur could impact our results of operations. If we lose contracts that constitute a significant amount of our premium revenue, we will lose the administrative cost efficiencies or cost leverage that is inherent in a larger revenue base. We currently spread the cost of centralized services over a large revenue base. Many of our administrative costs are fixed in nature and will be incurred at the same level regardless of the size of our revenue base. If we lose contracts that constitute a significant amount of our revenue, we may not be able to reduce the expense of centralized services in a manner that is proportional to that loss of revenue. In such circumstances, not only will our total dollar margins decline, but our percentage margins, measured as a percentage of revenue, will also decline. Molina Healthcare, Inc. 2024 Form 10-K | 23This loss of cost efficiency or cost leverage, and the resulting stranded administrative costs, could have a material and adverse impact on our business, financial condition, cash flows, or results of operations.Our health plans are subject to risk associated with various contractual provisions and regulations establishing medical cost expenditure floors, profit ceilings, risk corridors, or quality withholds.A substantial portion of our premium revenue is subject to contract provisions pertaining to medical cost expenditure floors and corridors, administrative cost and profit ceilings, premium stabilization programs, or cost-plus and performance-based reimbursement programs. Many of these contract provisions are complex, or are poorly or ambiguously drafted, and thus are subject to differing interpretations by us and the relevant government agency with whom we contract. If the applicable government agency disagrees with our interpretation or implementation of a particular contract provision, we could be required to adjust the amount of our obligation under that provision. Any such adjustment could have a material adverse effect on our business, financial condition, cash flows, or results of operations.In addition, many of our contracts contain provisions pertaining to at-risk premiums that require us to meet certain quality performance measures to earn all of our contract revenues. If we are unsuccessful in achieving the stated performance measure, we will be unable to recognize the revenue associated with that measure, which could have a material adverse effect on our business, financial condition, cash flows, or results of operations. Our Medicaid premium revenues could be adversely impacted by retroactive adjustments or statesâ€™ delays in implementing rate changes. The complexity of some of our Medicaid contract provisions, imprecise language in those contracts, the desire of state Medicaid agencies in some circumstances to retroactively adjust for the acuity of the medical needs of our members, and state delays in processing rate changes, can create uncertainty around the amount of revenue we should recognize. Any circumstance such as those described above could have a material adverse effect on our business, financial condition, cash flows, or results of operations.If, in the interest of long-term profitability, we decide to exit certain state contractual arrangements, make changes to our provider networks, or make changes to our administrative infrastructure, we may suffer disruptions to our business that could in the short term materially reduce our premium revenues and our net income.Decisions that we make with regard to retaining or exiting our portfolio of state or federal contracts, and changes to the manner in which we serve the members of those contracts, could generate substantial expenses associated with the run out of existing operations and the restructuring of those operations that remain. Such expenses could include, but would not be limited to, goodwill and intangible asset impairment charges, restructuring costs, additional medical costs incurred due to the inability to leverage long-term relationships with medical providers, and costs incurred to finish the run out of businesses that have ceased to generate revenue, all of which could materially reduce our premium revenues and net income. A failure to accurately estimate incurred but not paid medical care costs may negatively impact our results of operations.Because of the lag in time between when medical services are actually rendered by our providers and when we receive, process, and pay a claim for those medical services, we must continually estimate our medical claims liability at particular points in time and establish claims reserves related to such estimates. Our estimated reserves for such incurred but not paid, or IBNP, medical care costs are based on numerous assumptions and inputs. We estimate our medical claims liabilities using actuarial methods based on historical data adjusted for claims receipt and payment experience (and variations in that experience), changes in membership, provider billing practices, healthcare service utilization trends, cost trends, product mix, seasonality, prior authorization of medical services, benefit changes, known incidence of disease, or increased incidence of illness such as the flu or COVID, provider contract changes, changes to Medicaid fee schedules, and the incidence of high dollar or catastrophic claims. Our ability to accurately estimate claims for our newer lines of business or populations is negatively impacted by the more limited experience we have had with those newer lines of business or populations.The IBNP estimation methods we use and the resulting reserves that we establish are reviewed and updated, and adjustments, if deemed necessary, are reflected in the current period. Given the numerous uncertainties inherent in such estimates, our actual claims liabilities for a particular quarter or other period could differ significantly from the amounts estimated and reserved for that quarter or period. Our actual claims liabilities have varied and will continue to vary from our estimates, particularly in times of significant changes in utilization, medical cost trends, and populations and markets served.Molina Healthcare, Inc. 2024 Form 10-K | 24If our actual liability for claims payments is higher than previously estimated, our earnings in any particular quarter or annual period could be negatively affected. Our estimates of IBNP may be inadequate in the future, which would negatively affect our results of operations for the relevant time period. Furthermore, if we are unable to accurately estimate IBNP, our ability to take timely corrective actions may be limited, further exacerbating the extent of the negative impact on our results.If we fail to accurately predict and effectively manage our medical care costs, our operating results could be materially and adversely affected. Our profitability depends to a significant degree on our ability to accurately predict and effectively manage our medical care costs. Historically, our medical care ratio, meaning our medical care costs as a percentage of our premium revenue, has fluctuated substantially, and has varied across our health plans. Because the premium payments we receive are generally fixed in advance and we operate with a narrow profit margin, relatively small changes in our medical care ratio can create significant changes in our overall financial results. For example, if our overall medical care ratio of 89.1% for the year ended DecemberÂ 31, 2024, had been one percentage point higher, or 90.1%, our net income per diluted share for the year ended DecemberÂ 31, 2024 would have been approximately $15.18 rather than our actual net income per diluted share of $20.42, a difference of $5.24. Many factors may affect our medical care costs, including:â€¢the level of utilization of healthcare services; â€¢changes in the underlying risk acuity of our membership;â€¢unexpected patterns in the annual flu season; â€¢increases in hospital costs; â€¢increased incidences or acuity of high dollar claims related to catastrophic illnesses or medical conditions for which we do not have adequate reinsurance coverage;â€¢increased maternity costs;â€¢changes in state eligibility certification methodologies;â€¢relatively low levels of hospital and specialty provider competition in certain geographic areas;â€¢increases in the cost of pharmaceutical products and services;â€¢changes in healthcare regulations and practices;â€¢epidemics or pandemics;â€¢new medical technologies; andâ€¢other various external factors. Many of these factors are beyond our control. The inability to accurately forecast and effectively manage our medical care costs or to establish and maintain a satisfactory medical care ratio, either with respect to a particular health plan or across the consolidated entity, could have a material adverse effect on our business, financial condition, cash flows, or results of operations.If we are unable to deliver quality care, and maintain good relations with the physicians, hospitals, and other providers with whom we contract, or if we are unable to enter into cost-effective contracts with such providers, our profitability could be adversely affected. We contract with physicians, hospitals, and other providers as a means to ensure access to healthcare services for our members, to manage medical care costs and utilization, and to better monitor the quality of care being delivered. We compete with other health plans to contract with these providers. We believe providers select plans in which they participate based on criteria including reimbursement rates, timeliness and accuracy of claims payment, potential to deliver new patient volume and/or retain existing patients, effectiveness of resolution of calls and complaints, and other factors. There can be no assurance that we will be able to successfully attract and retain providers to maintain a competitive network in the geographic areas we serve. In addition, in any particular market, providers could refuse to contract with us, demand higher payments, or take other actions which could result in higher medical care costs, disruption to provider access for current members, a decline in our growth rate, or difficulty in meeting regulatory or accreditation requirements.The Medicaid program generally pays doctors and hospitals at levels well below those of Medicare and private insurance. Large numbers of doctors, therefore, do not accept Medicaid patients. In the face of fiscal pressures, some states may reduce rates paid to providers, which may further discourage participation in the Medicaid program.In some markets, certain providers, particularly hospitals and some specialists, may have significant market positions or even monopolies. If these providers refuse to contract with us or utilize their market position to Molina Healthcare, Inc. 2024 Form 10-K | 25negotiate favorable contracts which are disadvantageous to us, our profitability in those areas could be adversely affected.Some providers that render services to our members are not contracted with our health plans. In those cases, there is no pre-established understanding between the provider and our health plan about the amount of compensation that is due to the provider. If providers claim they are underpaid for their services, they may litigate or arbitrate their dispute with our health plan. State and federal laws intended to prevent or limit â€œsurprise billing,â€ such as the No Surprises Act, define the compensation that must be paid to out-of-network providers in certain scenarios, and require rate disputes between payors and out-of-network providers to be resolved through independent dispute resolution (â€œIDRâ€). There have been lawsuits challenging portions of the No Surprises Act in federal courts, particularly related to the use of the qualifying payment amount in the IDR process, which may result in an increase in rates we must pay to out-of-network providers. Federal agencies have continued to issue guidance regarding the implementation of the No Surprises Act, and we expect the agenciesâ€™ interpretations of the lawâ€™s requirements will continue to evolve. The impact that federal and state surprise billing laws will have on our business is uncertain and could adversely affect our business, financial condition, cash flows, or results of operations.We rely on the accuracy of eligibility lists provided by state governments. Inaccuracies in those lists could negatively affect our results of operations. Premium payments to our health plans are based upon eligibility lists produced by state governments. From time to time, states require us to reimburse them for premiums paid to us based on an eligibility list that a state later discovers contains individuals who are not in fact eligible for a government sponsored program or are eligible for a different premium category or a different program. Alternatively, a state could fail to pay us for members for whom we are entitled to payment. Our results of operations would be adversely affected as a result of such reimbursement to the state if we make or have made related payments to providers and are unable to recoup such payments from the providers. Further, when a state implements new programs to determine eligibility, establishes new processes to assign or enroll eligible members into health plans, or chooses new subcontractors, there is an increased potential for an unanticipated impact on the overall number of members assigned to managed care health plans.Â Whenever a state effects an eligibility redetermination for any reason, there is generally an associated reduction in Medicaid membership, which could have an adverse effect on our premium revenues and results of operations.The insolvency of a delegated provider could obligate us to pay its referral claims, which could have a material adverse effect on our business, financial condition, cash flows, or results of operations.Many of our primary care physicians and a small portion of our specialists and hospitals are paid on a capitated basis. Under capitation arrangements, we pay a fixed amount per member per month to the provider without regard to the frequency, extent, or nature of the medical services actually furnished. Due to insolvency or other circumstances, such providers may be unable or unwilling to pay claims they have incurred with third parties in connection with referral services provided to our members. The inability or unwillingness of delegated providers to pay referral claims presents us with both immediate financial risk and potential disruption to member care, as well as potential loss of members. Depending on statesâ€™ laws, we may be held liable for such unpaid referral claims even though the delegated provider has contractually assumed such risk. Additionally, competitive pressures or practical regulatory considerations may force us to pay such claims even when we have no legal obligation to do so; or we have already paid claims to a delegated provider and such payments cannot be recouped when the delegated provider becomes insolvent. Liabilities incurred or losses suffered as a result of provider insolvency or other circumstances could have a material adverse effect on our business, financial condition, cash flows, or results of operations.If a state fails to renew its federal waiver application for mandated Medicaid enrollment into managed care or such application is denied, our membership in that state will likely decrease. States may only mandate Medicaid enrollment into managed care under federal waivers or demonstrations. Waivers and programs under demonstrations are approved for two- to five-year periods and can be renewed on an ongoing basis if the state applies and the waiver request is approved or renewed by CMS. We have no control over this renewal process. If a state in which we operate does not renew its mandated program or the federal government denies the stateâ€™s application for renewal, our business would suffer as a result of a likely decrease in membership.Our business depends on our information and medical management systems, and our inability to effectively integrate, manage, update, and keep secure our information and medical management systems could disrupt our operations. Our business is dependent on effective and secure information systems that assist us in processing provider claims, monitoring utilization and other cost factors, supporting our medical management techniques, providing data to our Molina Healthcare, Inc. 2024 Form 10-K | 26regulators, and implementing our data security measures. Our members and providers also depend upon our information systems for enrollment, premium processing, primary care and specialist physician roster access, membership verifications, claims status, provider payments, and other information. If we experience a reduction in the performance, reliability, or availability of our information and medical management systems, our operations, ability to pay claims, ability to produce timely and accurate reports, and ability to maintain proper security measures could be adversely affected. We have partnered with third parties to support our information technology systems. This makes our operations vulnerable to adverse effects if such third parties fail to perform adequately. For example, in February 2019, we entered into a master services agreement with a third party vendor who manages certain of our information technology infrastructure services including, among other things, our information technology operations, end-user services, and data centers. If any licensor or vendor of any technology which is integral to our operations were to become insolvent or otherwise fail to support the technology sufficiently, our operations could be negatively affected. Additionally, our operations are vulnerable to adverse effects if such third parties are unable to perform due to forces outside of their control, such as a natural disaster or serious weather event.Our encounter data, or the encounter data of the health plans we acquire, may be inaccurate or incomplete, which could have a material adverse effect on our business, financial condition, cash flows, or results of operations, and on our ability to bid for, and continue to participate in, certain programs.Our contracts require the submission of complete and correct encounter data. The accurate and timely reporting of encounter data is increasingly important to the success of our programs because more states are using encounter data to determine compliance with performance standards and to set premium rates. We have been, and continue to be, exposed to operating sanctions and financial fines and penalties for noncompliance. In some instances, our government clients have established retroactive requirements for the encounter data we must submit. There also may be periods of time in which we are unable to meet existing requirements. In either case, it may be prohibitively expensive or impossible for us to collect or reconstruct this historical data. Moreover, these same issues may also apply to the health plans we acquire, and we may be required to expend significant costs or pay fines to correct these deficiencies. In the past, we have experienced challenges in obtaining complete and accurate encounter data due to difficulties with providers and third-party vendors submitting claims in a timely fashion in the proper format, and with state agencies in coordinating such submissions. As states increase their reliance on encounter data, these difficulties could adversely affect the premium rates we receive and how membership is assigned to us, and subject us to financial penalties, which could have a material adverse effect on our business, financial condition, cash flows, or results of operations, and on our ability to bid for, and continue to participate in, certain programs.We may not be successful in our artificial intelligence (â€œAIâ€) administrative and operational initiatives, which could adversely affect our business or reputation. As part of our operating efficiencies, we are making appreciable investments in certain AI administrative tools and initiatives to enhance our operations and to save costs. The development and use of AI technologies is still in its early stages. There are risks associated with the development and deployment of AI, and there can be no assurance that the usage of AI will enhance our operations or reduce our operational costs. Our AI-related efforts may give rise to risks related to accuracy, bias, discrimination, intellectual property rights and infringement, data privacy, and cybersecurity, among others. In addition, these risks include the possibility of new, changing, or enhanced governmental or regulatory scrutiny, litigation, other legal liability, ethical concerns, negative consumer perceptions as to automation and AI, or other complications that could adversely affect our business, reputation, or financial results. In the United States, there has been uncertainty regarding the applicable regulations that will apply to the development and use of AI technologies. For instance, in January 2025, the Trump administration rescinded an executive order relating to the safe and secure development of AI that was previously implemented by the Biden administration. The Trump administration then issued a new interim executive order that, among other things, requires certain agencies to specifically renew and, if possible, rescind rulemaking taken pursuant to the rescinded Biden executive order. Any such changes at the federal level could require us to expend significant resources to modify our products, services, or operations to ensure compliance or remain competitive. As a result, implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet completely determine the impact future laws, regulations, standards, or market perception of their requirements may have on our business and may not always be able to anticipate how to respond to these laws or regulations. Therefore, it is not possible to predict all of the risks and potentially unintended consequences related to the use of AI by vendors, third-party developers, or the Company. Molina Healthcare, Inc. 2024 Form 10-K | 27An impairment charge with respect to our recorded goodwill, or our finite-lived intangible assets, could have a material impact on our financial results. As of DecemberÂ 31, 2024, the carrying amount of goodwill was $1,671 million, and intangible assets, net, were $267 million. Goodwill represents the excess of the purchase consideration over the fair value of net assets acquired in business combinations. Goodwill is not amortized but is tested for impairment on an annual basis and more frequently if impairment indicators are present. Impairment indicators may include experienced or expected operating cash-flow deterioration or losses, significant losses of membership, loss of state funding, loss of state contracts, and other factors. Goodwill is impaired if the carrying amount of a reporting unit exceeds its estimated fair value. This excess is recorded as an impairment loss and adjusted if necessary for the impact of tax-deductible goodwill. The loss recognized may not exceed the total goodwill allocated to the reporting unit.An event could occur that would cause us to revise our estimates and assumptions used in analyzing the value of our goodwill, and intangible assets, net. For example, if the responsive bid of one or more of our health plans is not successful, we will lose a contract in the applicable state or states and such loss may be an indicator of impairment. If an event or events occur that would cause us to revise our estimates and assumptions used in analyzing the value of our goodwill and other intangible assets, such revision could result in a non-cash impairment charge that could have a material impact on our results of operations in the period in which the impairment occurs.The value of our investments is influenced by varying economic and market conditions, and a decrease in value may result in a loss charged to income.We maintain a significant investment portfolio of cash equivalents and short-term and long-term investments in a variety of securities, which are subject to general credit, liquidity, market, and interest rate risks. As a result, we may experience a reduction in value or loss of our investments, which may have a negative adverse effect on our results of operations, liquidity, and financial condition. Changes in the economic environment, including periods of increased volatility in the securities markets and recent increases in inflation and interest rates, can increase the difficulty of assessing investment impairment and increase the risk of potential impairment of these assets. There is continuing risk that declines in the fair value of our investments may occur, and material impairments may be charged to income in future periods, resulting in recognized losses.RISKS RELATED TO OUR INDUSTRYMedicaid enrollees continue to be subject to eligibility redeterminations and potential disenrollments on a state by state basis, and the number and health acuity level of Medicaid enrollees we retain may be lower than our current estimates. During the COVID-19 pandemic, Medicaid enrollment across the country, as well as our enrollment, grew substantially compared to before the pandemic. Beginning April 1, 2023, broad-based Medicaid eligibility redeterminations commenced, and are now almost entirely completed. We lost approximately 675,000 members due to redeterminations. Periodic redeterminations on a state by state basis will now resume as before the pandemic. Actuarial assumptions related to the health acuity of remaining members may continue to be difficult to predict or may be inaccurate, resulting in inaccurate rates to be paid to health plans. Errors in our estimates related to redeterminations, and actuarial errors related to the acuity of Medicaid members, may impact our business, financial condition, cash flows, or results of operations. CMS will end the current MMP program no later than December 2025, which could impact our premium revenues and other factors may affect Medicare revenue. To coordinate care for those who qualify to receive both Medicare and Medicaid services (the â€œdual eligiblesâ€), under the direction of CMS some states implemented demonstration pilot programs to integrate Medicare and Medicaid services for the dual eligibles. The health plans participating in such demonstrations are referred to as MMPs. Pursuant to the 2023 CMS Medicare Final Rule, which requires MMP plans to end no later than December 2025, the five states in which we operate MMPs â€“ Illinois, Michigan, Ohio, South Carolina, and Texas â€“ have filed transition plans with CMS to move to D-SNPs by January 1, 2026. Illinois and Ohio have included plans to transition to Fully Integrated D-SNPs. Michigan and South Carolina are electing to transition to Highly Integrated D-SNPs. Texas is allowing optionality between a Fully Integrated D-SNP and a Highly Integrated D-SNP. The RFP award for Illinois is still pending. The economic impact of such transitions to D-SNP on our premium revenue is uncertain. Moreover, many states are now requiring Medicare to be offered by a health plan if that health plan is awarded a Medicaid contract. These new requirements could impact our readiness status or eligibility under certain state Medicaid programs or contracts. Molina Healthcare, Inc. 2024 Form 10-K | 28Further, the Star Rating System utilized by CMS to evaluate Medicare plans may have a significant effect on our revenue, as higher-rated plans tend to experience increased enrollment and plans with a Star rating of 4.0 or higher are eligible for quality-based bonus payments. Those Medicare plans that achieve less than a 3.0 Star rating for either part C or D for three consecutive years are issued a notice of non-renewal of their contract for the following year. If we do not maintain our Star ratings above 3.0 or continue to improve our Star ratings, fail to meet or exceed our competitorsâ€™ Star ratings, or if quality-based bonus payments are reduced or eliminated, we may experience a negative impact on our revenues and the benefits that our plans can offer, which could materially and adversely affect the marketability of our plans, our membership levels, results of operations, financial condition, and cash flows. Similarly, if we fail to meet or exceed any performance standards imposed by state Medicaid programs in which we participate, we may not receive performance-based bonus payments, we may incur penalties, or we may lose our Medicaid contract which may also result in a loss to our Medicare contract if it is a HIDE or FIDE D-SNP. We are periodically subject to government audits, including CMS RADV audits of our Medicare D-SNP plans to validate diagnostic data, patient claims, and financial reporting. These audits could result in significant adjustments in payments made to our health plans, particularly if it is an audit which involves extrapolation, which could adversely affect our financial condition and results of operations. If errors are identified during a RADV audit, or it is otherwise determined that we fail to comply with applicable laws and regulations, we could be subject to fines, civil penalties or other sanctions, which could have a material adverse effect on our ability to participate in these programs, and on our financial condition, cash flows and results of operations. In addition, if a D-SNP or MMP plan pays minimum medical loss ratio (â€œMLRâ€) rebates for three consecutive years, such plan will become ineligible to enroll new members. Our health plans operate with very low profit margins, and small changes in operating performance or slight changes to our accounting estimates could have a disproportionate impact on our reported net income.Although most of our health plans over the last several years have generally operated with profit margins higher than those of our direct competitors, nevertheless the profit margins in our industry are low (in the single digits) compared to the profit margins in most other industries. Given these low profit margins, small changes in operating performance or slight changes to our accounting estimates could have a disproportionate impact on our reported net income and adversely affect our business. If state regulators do not approve payments of dividends and distributions by our subsidiaries, it may negatively affect our ability to meet our debt service and other obligations.We are a corporate parent holding company and hold most of our assets in, and conduct most of our operations through, our direct subsidiaries. As a holding company, our results of operations depend on the results of operations of our subsidiaries. Moreover, we are dependent on dividends or other intercompany transfers of funds from our subsidiaries to meet our debt service and other obligations. The ability of our subsidiaries to pay dividends or make other payments or advances to us depends on their operating results and is subject to applicable laws and restrictions contained in agreements governing the debt of such subsidiaries. In addition, our health plan subsidiaries are subject to laws and regulations that limit the amount of ordinary dividends and distributions that they can pay to us without prior approval of, or notification to, state regulators. In general, our health plans must give thirty daysâ€™ advance notice and the opportunity to disapprove â€œextraordinaryâ€ dividends to the respective state departments of insurance for amounts that exceed either (a)Â ten percent of surplus or net worth at the prior year end or (b)Â the net income for the prior year, depending on the respective state statute. The discretion of the state regulators, if any, in approving or disapproving a dividend is not clearly defined. Our health plans generally must provide notice to the applicable state regulator prior to paying a dividend or other distribution to us. Our parent company received $997 million and $705 million in dividends from our regulated health plan subsidiaries during 2024 and 2023, respectively. If the regulators were to deny or significantly restrict our subsidiariesâ€™ requests to pay dividends to us, the funds available to our Company as a whole would be limited, which could have a material adverse effect on our business, financial condition, cash flows, or results of operations. Our use and disclosure of personally identifiable information and other non-public information, including protected health information, is subject to federal and state privacy and security regulations, and our failure or the failure of our vendors to comply with those regulations or to adequately secure the information we hold could adversely affect our business, results of operations, or financial condition. State and federal laws and regulations including, but not limited to, the Health Insurance Portability and Accountability Act, as amended by the Health Information Technology for Economic and Clinical Health Act, and all regulations promulgated thereunder (collectively, â€œHIPAAâ€), the California Consumer Privacy Act (the â€œCCPAâ€), the California Privacy Rights Act (the â€œCPRAâ€), and the Gramm-Leach-Bliley Act (â€œGLBAâ€), govern the collection, Molina Healthcare, Inc. 2024 Form 10-K | 29dissemination, use, privacy, confidentiality, security, availability, and integrity of personally identifiable information (â€œPIIâ€), including protected health information (â€œPHIâ€). HIPAA establishes basic privacy and security standards for protection of PHI by covered entities and business associates, including health plans such as ours. HIPAA requires covered entities like us to develop and maintain policies and procedures regarding PHI, and to adopt administrative, physical, and technical safeguards to protect PHI. HIPAA violations may result in significant civil or criminal penalties. HIPAA authorizes state attorneys general to file suit under HIPAA on behalf of state residents. Courts can award damages, costs, and attorneysâ€™ fees related to violations of HIPAA in such cases. We have experienced HIPAA breaches in the past, including breaches affecting over 500 individuals.The GLBA regulates, among other things, the use of certain information about individuals (â€œnon-public personal informationâ€) in the context of the provision of financial services, including by banks and other financial institutions. The GLBA includes both a â€œPrivacy Rule,â€ which imposes obligations on financial institutions relating to the use or disclosure of non-public personal information, and a â€œSafeguards Rule,â€ which imposes obligations on financial institutions and, indirectly, their service providers to implement and maintain physical, administrative and technological measures to protect the security of non-public personal financial information. Any failure to comply with the GLBA could result in substantial financial penalties.Even when HIPAA and the GLBA do not apply, we are still subject to requirements imposed by U.S. states and the federal government. For example, the FTC expects a companyâ€™s data security measures to be reasonable and appropriate in light of the sensitivity and volume of consumer information it holds, the size and complexity of its business, and the cost of available tools to improve security and reduce vulnerabilities. Individually identifiable health information is considered sensitive data that merits stronger safeguards. In addition, certain state laws govern the privacy and security of health information in certain circumstances, many of which differ from each other in significant ways, thus complicating compliance efforts. For example, California enacted the CCPA, which became effective on January 1, 2020. The CCPA, among other things, created data privacy obligations for covered companies and provides new privacy rights to California residents, including the right to opt out of certain disclosures of their information. The CCPA also created a private right of action with statutory damages for certain data breaches, thereby potentially increasing risks associated with a data breach. Similar laws have gone into effect or have been proposed in many other states and at the federal level as well.If we or one or more of our vendors does not comply with existing or new laws and regulations related to PHI, PII, or non-public personal information, we could be subject to criminal or civil sanctions. Any security breach involving the misappropriation, loss, or other unauthorized disclosure or use of confidential member information, whether by us or by our vendors, could subject us to civil and criminal penalties, divert managementâ€™s time and energy, and have a material adverse effect on our business, financial condition, cash flows, or results of operations.It is possible that new laws, regulations and other requirements, or amendments to or changes in interpretations of existing laws, regulations and other requirements, may require us to incur significant costs, implement new processes, or change our handling of information and business operations, which could ultimately hinder our ability to grow our business by extracting value from our data assets. In addition, any failure or perceived failure by us to comply with laws, regulations and other requirements relating to the privacy, security and handling of information could result in legal claims or proceedings (including class actions), regulatory investigations or enforcement actions. We could incur significant costs in investigating and defending such claims and, if found liable, pay significant damages or fines or be required to make changes to our business. These proceedings and any subsequent adverse outcomes may subject us to significant negative publicity. If any of these events were to occur, our business, results of operations, and financial condition could be materially adversely affected.Unforeseen changes in pharmaceutical regulations or market conditions may impact our revenues and adversely affect our results of operations.Pharmaceutical products and services are a significant component of our healthcare costs. Evolving regulations and state and federal mandates regarding coverage may impact the ability of our health plans to continue to receive existing price discounts on pharmaceutical products for our members. Other factors affecting our pharmaceutical costs include, but are not limited to, the price of pharmaceuticals, geographic variation in utilization of new and existing pharmaceuticals, and changes in discounts. The unpredictable nature of these factors may have a material adverse effect on our business, financial condition, cash flows, or results of operations.Molina Healthcare, Inc. 2024 Form 10-K | 30Increases in our pharmaceutical costs could have a material adverse effect on the level of our medical costs and our results of operations.Introduction of new high cost specialty drugs and sudden cost spikes for existing drugs increase the risk that the pharmacy cost assumptions used to develop our capitation rates are not adequate to cover the actual pharmacy costs, which jeopardizes the overall actuarial soundness of our rates. Bearing the high costs of new specialty drugs or the high cost inflation of generic drugs without an appropriate rate adjustment or other reimbursement mechanism would have an adverse impact on our financial condition and results of operations. In addition, evolving regulations and state and federal mandates regarding coverage may impact the ability of our health plans to continue to receive existing price discounts on pharmaceutical products for our members. Other factors affecting our pharmaceutical costs include, but are not limited to, geographic variation in utilization of new and existing pharmaceuticals, changes in discounts, civil investigations, and litigation. Some of our competitors have been subject to substantial sanctions related to allegations of improper transfer pricing practices. Further, our principal pharmacy benefit manager, or PBM, CVS Caremark (â€œCVSâ€), is party to certain lawsuits and putative class actions regarding its drug pricing practices and its rebate arrangements with drug manufacturers. The ultimate outcome of these complaints may have an adverse impact on our pharmaceutical costs, or potentially could result in our becoming involved or impleaded into similar or related costly litigation. Although we will continue to work with state Medicaid agencies in an effort to ensure that we receive appropriate and actuarially sound reimbursement for all new drug therapies and pharmaceuticals trends, there can be no assurance that we will be successful in that regard.Large-scale medical emergencies in one or more states in which we operate our health plans could significantly increase utilization rates and medical costs. Large-scale medical emergencies can take many forms and be associated with widespread illness or medical conditions. For example, natural disasters, such as a major earthquake or wildfire in California, or a major hurricane affecting Florida, South Carolina or Texas, could have a significant impact on the health of a large number of our covered members. Other conditions that could impact our members include a virulent flu season or epidemic, such as a resurgence of COVID-19, or new viruses for which vaccines may not exist, are not effective, or have not been widely administered.In addition, federal and state law enforcement officials have issued warnings about potential terrorist activity involving biological or other weapons of mass destruction. All of these conditions, and others, could have a significant impact on the health of the population of wide-spread areas. If one of the states in which we operate were to experience a large-scale natural disaster, a significant terrorist attack, or some other large-scale event affecting the health of a large number of our members, our covered medical expenses in that state would rise, which could have a material adverse effect on our business, financial condition, cash flows, or results of operations.We face various risks inherent in the government contracting process that could materially and adversely affect our business and profitability, including periodic routine and non-routine reviews, audits, and investigations by government agencies.We are subject to various risks inherent in the government contracting process. These risks include routine and non-routine governmental reviews, audits, and investigations, and compliance with government reporting requirements. Violation of the laws, regulations, executive orders or contract provisions governing our operations, or changes in interpretations of those laws, regulations or executive orders, could result in the imposition of civil or criminal penalties, the cancellation of our government contracts, the suspension or revocation of our licenses, the exclusion from participation in government sponsored health programs, or the revision and recoupment of past payments made based on audit findings. If we are unable to correct any noted deficiencies, or become subject to material fines or other sanctions, we could suffer a substantial reduction in profitability, and could also lose one or more of our government contracts. In addition, government receivables are subject to government audit and negotiation, and government contracts are vulnerable to disagreements with the government. The final amounts we ultimately receive under government contracts may be different from the amounts we initially recognize in our financial statements.Any changes to the laws and regulations governing our business, or the interpretation and enforcement of those laws or regulations implemented by the new Trump Administration, could require us to modify our operations and could negatively impact our operating results.Our business is extensively regulated by the federal government and the states in which we operate. The laws and regulations governing our operations are generally intended to benefit and protect health plan members and providers rather than managed care organizations. The government agencies administering these laws and regulations have broad latitude in interpreting and applying them. Changes in the interpretation or application of our Molina Healthcare, Inc. 2024 Form 10-K | 31contracts could reduce our profitability if we have detrimentally relied on a prior interpretation or application. These laws and regulations, along with the terms of our government contracts, regulate how we do business, what services we offer, and how we interact with our members and the public. For instance, some states mandate minimum medical expense levels as a percentage of premium revenues. These laws and regulations, and their interpretations, are subject to frequent change. The interpretation of certain contract provisions by our governmental regulators at the federal and state level may also change. Changes in existing laws or regulations, or their interpretations, or the enactment of new laws or regulations or executive orders, could reduce our profitability by imposing additional capital requirements, increasing our liability, increasing our administrative and other costs, increasing mandated benefits, forcing us to restructure our relationships with providers, requiring us to implement additional or different programs and systems, or making it more difficult to predict future results. Thus, any significant changes in existing health care laws or regulations could materially impact our business, financial condition, cash flows, or results of operations.We are subject to extensive fraud and abuse laws that may give rise to lawsuits and claims against us, the outcome of which may have a material adverse effect on our business, financial condition, cash flows, or results of operations. Because we receive payments from federal and state governmental agencies, we are subject to various laws commonly referred to as â€œfraud and abuseâ€ laws, including federal and state anti-kickback statutes, prohibited referrals, and the federal False Claims Act, which permit agencies and enforcement authorities to institute a suit against us for violations and, in some cases, to seek treble damages, criminal and civil fines, penalties, and assessments. Violations of these laws can also result in exclusion, debarment, temporary or permanent suspension from participation in government healthcare programs, or the institution of corporate integrity agreements. Liability under such federal and state statutes and regulations may arise if we know, or it is determined that we should have known, that information we provide to form the basis for a claim for government payment is false or fraudulent.Fraud, waste and abuse prohibitions encompass a wide range of operating activities, including kickbacks or other inducements for referral of members or for the coverage of products (such as prescription drugs) by a plan, billing for unnecessary medical services by a provider, upcoding, payments made to excluded providers, improper marketing, and the violation of patient privacy rights. In particular, there has recently been increased scrutiny by the Department of Justice on health plansâ€™ risk adjustment practices, particularly in the Medicare program. Companies involved in government healthcare programs such as Medicaid and Medicare are required to maintain compliance programs to detect and deter fraud, waste and abuse, and are often the subject of fraud, waste and abuse investigations and audits. The federal government has taken the position that claims presented in violation of the federal anti-kickback statute may be considered a violation of the federal False Claims Act. In addition, under the federal civil monetary penalty statute, the U.S. Department of Health and Human Servicesâ€™ Office of Inspector General has the authority to impose civil penalties against any person who, among other things, knowingly presents, or causes to be presented, certain false or otherwise improper claims. Qui tam actions under federal and state law are brought by a private individual, known as a relator, on behalf of the government. A relator who brings a successful qui tam lawsuit can receive 15 to 30 percent of the damages the government recovers from the defendants, which damages are trebled under the False Claims Act. Because of these financial inducements offered to plaintiffs, qui tam actions have increased significantly in recent years, causing greater numbers of healthcare companies to incur the costs of having to defend false claims actions, many of which are spurious and without merit. In addition, meritorious false claims actions could result in fines, or debarment from the Medicare, Medicaid, or other state or federal healthcare programs. If we are subject to liability under a qui tam or other actions, our business, financial condition, cash flows, or results of operations could be adversely affected. Even if we are successful in defending qui tam actions against us, the fact that these actions were filed against us, even if ultimately determined to be without merit, could result in expensive defense costs, and also could have an adverse impact on our reputation and our ability to obtain regulatory approval for acquisitions that we may pursue. Adverse credit market conditions may have a material adverse effect on our liquidity or our ability to obtain credit on acceptable terms.In the past, the securities and credit markets have experienced extreme volatility and disruption. The availability of credit, from virtually all types of lenders, has at times been restricted. In the event we need access to additional capital to pay our operating expenses, fund subsidiary surplus requirements, make payments on or refinance our indebtedness, pay capital expenditures, or fund acquisitions, our ability to obtain such capital may be limited and the cost of any such capital may be significant, particularly if we are unable to access our existing revolving credit facility.Molina Healthcare, Inc. 2024 Form 10-K | 32Our access to additional financing will depend on a variety of factors such as prevailing economic and credit market conditions, the general availability of credit, the overall availability of credit to our industry, our credit ratings and credit capacity, and perceptions of our financial prospects. Similarly, our access to funds may be impaired if regulatory authorities or rating agencies take negative actions against us. If one or any combination of these factors were to occur, our internal sources of liquidity may prove to be insufficient, and in such case, we may not be able to successfully obtain sufficient additional financing on favorable terms, within an acceptable time, or at all.Restrictive covenants in our debt instruments may restrict our ability to pursue our business strategies.We are party to a credit agreement (as amended, the â€œCredit Agreementâ€) which includes a revolving credit facility (â€œCredit Facilityâ€) of $1.25 billion, among other provisions. Our Credit Agreement, and the indentures governing our notes, require us to comply with various covenants that impose restrictions on our operations, including our ability to incur additional indebtedness, create liens, pay dividends, make certain investments or other restricted payments, sell or otherwise dispose of substantially all of our assets and engage in other activities. Our Credit Agreement also requires us to comply with a maximum consolidated net leverage ratio and a minimum consolidated interest coverage ratio. These restrictive covenants could limit our ability to pursue our business strategies. In addition, any failure by us to comply with these restrictive covenants could result in an event of default under the Credit Agreement and, in some circumstances, under the indentures governing our notes, which, in any case, could have a material adverse effect on our financial condition.GENERAL RISK FACTORSWe are dependent on the leadership of our chief executive officer and other executive officers and key employees.The success of our business and the ability to execute our strategy are highly dependent on the leadership of Mr. Zubretsky, our chief executive officer, and that of our other key executive officers and employees. The loss of their leadership, expertise, and experience could negatively impact our operations. In addition, recently the threat environment for senior health care executives has worsened considerably, and the need for appropriate security to combat such threats could distract or disrupt senior management from performing their job responsibilities. Our ability to replace our leaders or any other key employee may be difficult and may take an extended period of time because of the limited number of individuals in the healthcare industry who have the breadth and depth of skills and experience necessary to operate and lead a business such as ours. Competition to hire from this limited pool is intense, and we may be unable to hire, train, retain, or motivate these personnel. Adverse changes to our corporate culture or industry perception could harm our business operations and our ability to retain key executive officers and employees. If we are unsuccessful in recruiting, retaining, managing, protecting, and motivating such personnel, our business, financial condition, cash flows, or results of operations could be adversely affected.We face risks related to litigation.We are subject to a variety of legal actions that may affect our business, including but not limited to provider claims, employment related disputes and employee benefit claims, breach of contract actions, qui tam or False Claims Act actions, administrative matters before government agencies, tort claims, intellectual property-related litigation, and class actions of various kind. These actions or proceedings could result in substantial costs to us, require management to spend substantial time focused on litigation, result in negative media attention, and may adversely affect our business, reputation, financial condition, results of operations, or cash flows. If we incur liability materially in excess of the amount for which we have insurance coverage, our profitability would suffer. Failure to maintain effective internal controls over financial reporting could have a material adverse effect on our business, operating results, and stock price, and could subject us to sanctions by regulatory authorities.A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the annual or interim financial statements will not be prevented or detected on a timely basis. We have identified material weaknesses in our internal control over financial reporting in the past, which have subsequently been remediated. If additional material weaknesses in our internal control over financial reporting are discovered or occur in the future, the risk of material misstatements in our consolidated financial statements may increase and we could be required to restate our financial results.Because our corporate headquarters are located in Southern California, our business operations may be disrupted as a result of a major earthquake or wildfire.Our corporate headquarters are located in Long Beach, California. In addition, some of our health plansâ€™ claims are processed in Long Beach, California. Southern California is exposed to a statistically greater risk of a major Molina Healthcare, Inc. 2024 Form 10-K | 33earthquake and wildfires than most other parts of the United States. If a major earthquake or wildfire were to strike near our location in Southern California, our corporate functions and claims processing could be impaired for an unforeseen period of time. If there is a major Southern California earthquake or wildfire, there can be no assurances that our disaster recovery plan will be successful or that the business operations of our health plans, including those that are remote from any such event, would not be impacted.Changes in tax laws or regulations that are applied adversely to us or our customers may materially adversely affect our business, prospects, financial condition and operating results.New income, sales, use or other tax laws, statutes, rules, regulation or ordinances could be enacted at any time, or interpreted, changed, modified or applied adversely to us or our customers, any of which could adversely affect our business, prospects, financial performance and operating results. In particular, presidential, congressional, state and local elections in the United States could result in significant changes in, and uncertainty with respect to, tax legislation, regulation and government policy directly affecting our business or indirectly affecting us because of impacts on our customers, members, providers and third-party vendors and service suppliers. For example, the United States government has recently imposed a corporate alternative minimum tax and has, from time to time, proposed and may enact significant changes to the taxation of business entities including, among others, an increase in the corporate income tax rate and surtaxes on certain types of income. The likelihood of these changes being enacted or implemented is unclear. We are currently unable to predict whether such changes will occur and, if so, the ultimate impact on our business. To the extent that such changes have a negative impact on us, our customers, members, providers and third-party vendors and service suppliers, including as a result of related uncertainty, these changes may materially and adversely affect our business, prospects, financial condition and operating results.Molina Healthcare, Inc. 2024 Form 10-K | 34Item 1C. CYBERSECURITYCYBERSECURITY RISK MANAGEMENT, GOVERNANCE AND RISK ASSESSMENTThe Company is committed to protecting the confidentiality, integrity, and availability of its information systems and the data they contain from cybersecurity threats. The Company recognizes that cybersecurity is a dynamic and evolving area of risk that requires ongoing assessment, management, and oversight. The Company has established a cybersecurity program (the "Program") that is designed to assess, identify, manage, and mitigate material cybersecurity threats, as well as to respond to and recover from cybersecurity incidents. CYBERSECURITY RISK MANAGEMENTThe Program is based on the National Institute of Standards and Technology (â€œNISTâ€) Cybersecurity Framework (â€œCSFâ€), NIST Special Publication 800-53, and the Payment Card Industry standards, as applicable, and designed to comply with applicable laws and regulations, including HIPAA and the New York Department of Financial Services Cybersecurity Regulation, as applicable. This does not imply that we meet any particular technical standards, specifications, or requirements, only that we use the NIST CSF and Payment Card Industry standards as guides to help us identify, assess, and manage cybersecurity risks relevant to our business. The Program is aligned with the Company's overall enterprise risk management system and processes and shares common methodologies, reporting channels and governance processes that apply across the enterprise risk management program to other legal, compliance, strategic, operational, and financial risk areas. Control procedures are assessed regularly to confirm their effectiveness. The Company undergoes an annual Service Organization Controls (â€œSOCâ€) Type 2 attestation report covering the performance of safeguards deployed to protect certain Company systems and applications. The Company maintains cybersecurity insurance providing coverage for certain costs related to security failures and specified cybersecurity-related incidents that interrupt our network or networks of our vendors, in all cases up to specified limits and subject to certain exclusions.The Company has a designated Chief Information Security Officer (the â€œCISOâ€). The Program is implemented and managed by the Companyâ€™s executive management under the leadership of the CISO. The Company contracts with third-party service providers to support aspects of the Program implementation, operations, and review of information technology operations and cybersecurity technologies. Additionally, the Company has retained a number of well-established and reputable cybersecurity consultants, including forensics experts, auditors, as well as outside cybersecurity legal counsel to assist with cybersecurity matters as needed from time to time. The Company has a Computer Incident Response Team (â€œCIRTâ€) which is responsible for monitoring, preventing, detecting, assisting with the investigation, and responding to cybersecurity threats. The Company has in place an Information Security Incident Response Plan (â€œIRPâ€) Protocol which provides an operational framework to coordinate the response to any type of cybersecurity incident affecting the Company. The CIRT team informs the CISO of cybersecurity threats consistent with the IRP. The IRP also provides the process and oversight to manage cybersecurity incidents that may arise from a third-party service provider. In addition, the IRP addresses management responsibility with respect to disclosure determinations related to a cybersecurity incident and provides for Audit Committee and Board briefings as appropriate. The Companyâ€™s cybersecurity policies and procedures are reviewed by the CISO and updated at least annually. In addition, under the IRP, following the resolution of a cybersecurity incident, the Company will generally consider the effectiveness of the Program and the IRP, make adjustments as appropriate, and report to senior management and the Audit Committee as appropriate on these matters. The cybersecurity policies and procedures are communicated and enforced throughout the Company, as well as with the third-party service providers that have access to the Company's information systems or nonpublic information. Cybersecurity policies and procedures are also subject to periodic review and audits by internal and external parties, such as the internal audit function, external auditors, regulators, or independent assessors. The Company requires employees to undergo cybersecurity-related training, including phishing prevention training, and employees are tested regularly through phishing exercises.GOVERNANCEThe CISO is responsible for developing, maintaining, and enforcing the Program's policies and procedures, as well as reporting on the Program's performance and material cybersecurity risks to the Audit Committee. The CISO has the relevant expertise and authority to carry out the Program's objectives and to coordinate with other key stakeholders within and outside the Company. The CISOâ€™s expertise includes decades of information technology and cybersecurity as a subject matter expert, including more than a decade of executive management experience as a CISO for Fortune 500 companies.Molina Healthcare, Inc. 2024 Form 10-K | 35The Program is overseen by the Companyâ€™s Board of Directors through its Audit Committee which, pursuant to its charter, assists the Board with oversight of Company privacy, data security, and cybersecurity matters and risks. The Audit Committee meets regularly with the Companyâ€™s executive management, including the CISO and the Chief Information Officer, and receives updates on the status and overall effectiveness of the Program, changes to the Program, relevant information technology operations, any changes in material cybersecurity risks and any significant cybersecurity incidents consistent with the IRP. The Audit Committee also discusses with executive management the steps management has taken to monitor and mitigate privacy, data security, and cybersecurity risk exposures, the Companyâ€™s information governance policies and programs, and major legislative and regulatory developments that could materially impact the Companyâ€™s exposure regarding privacy, data security risk, and cybersecurity. The Audit Committee reports to the full Board regarding its activities, including those related to cybersecurity. The Audit Committee and the Board consider cybersecurity as part of the Companyâ€™s business strategy, financial planning, and capital allocation.CYBERSECURITY RISK ASSESSMENTThe CISO is responsible for assessing and managing the Companyâ€™s material risks from cybersecurity threats. The Company conducts regular risk assessments to identify, evaluate, and prioritize material cybersecurity risks to the Company, including its health plans and state contracts, shared services and IT operations, or business strategy. The risk assessments are informed by various sources of information, such as internal and external audits, vulnerability scans, penetration tests, threat intelligence, incident reports, industry benchmarks, and accepted industry practices. The risk assessments consider the potential impact and likelihood of various cybersecurity threats, such as ransomware, malware, social engineering, third-party incidents, supply chain attacks and insider threats, and contemplates the adequacy of controls to detect, prevent, respond, and recover to reduce the possibility of an adverse material cybersecurity event. The Company has in place processes to identify material risks from cybersecurity threats associated with its use of third-party service providers and as such, conducts assessments of such third-party service providers with respect to their cybersecurity programs and risks and requires third-party service providers to notify the Company if they experienced a cybersecurity incident. The Company hires experienced security professionals to conduct advanced and realistic cybersecurity attack simulations to verify its Program, and conducts regular cybersecurity tabletop exercises with executive management, which are coordinated by a third-party.For a discussion of the Companyâ€™s cybersecurity-related risks, see Item 1A of this Form 10-K under the heading â€œRisk Factorsâ€”If we or one of our significant vendors sustain a cyber-attack or suffer data privacy or security breaches that disrupt our information systems or operations, or result in the dissemination of sensitive personal or confidential information, we could suffer increased costs, exposure to significant liability, reputational harm, loss of business, and other serious negative consequences.â€Item 2. PROPERTIESWe own and lease certain real properties to support the business operations of our reportable segments. In 2022, we completed a plan to reduce the real estate footprint used in our business operations to accommodate our move to a permanent remote work environment, a model we have been working under successfully for over four years. Our remaining office space is being reconfigured and optimized for utilization and efficiency. While we believe our current and anticipated facilities are adequate to meet our operational needs in the near term, we continually evaluate the adequacy of our properties for our anticipated future needs.Item 3. LEGAL PROCEEDINGSFor information regarding legal proceedings, see the Notes to Consolidated Financial Statements, Note 15, â€œCommitments and Contingenciesâ€”Legal Proceedings.â€Molina Healthcare, Inc. 2024 Form 10-K | 36PART IIItem 5. MARKET FOR REGISTRANTâ€™S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES ISSUER PURCHASES OF EQUITY SECURITIESPurchases of common stock made by us, or on our behalf, during the fourth quarter of 2024, including shares withheld by us to satisfy our employeesâ€™ income tax obligations, are set forth below:TotalÂ Numberof SharesPurchasedÂ (1)AverageÂ PriceÂ Paid per ShareTotalÂ NumberÂ ofÂ SharesPurchased as Part ofPubliclyÂ AnnouncedÂ Plans or ProgramsApproximateÂ DollarÂ Valueof Shares that May Yet Be Purchased Under the Plans or Programs (2)October 1 - October 311,600Â $341.91Â â€”Â $1,000,000,000Â November 1 - November 30275,900Â $297.25Â 275,900Â $918,000,000Â December 1 - December 311,390,500Â $300.59Â 1,390,500Â $500,000,000Â Total1,668,000Â $300.08Â 1,666,400Â ______________________(1)During the fourth quarter of 2024, there were approximately 1,666,400 shares repurchased as part of our publicly announced share repurchase program and we withheld 1,600 shares of common stock to settle employee income tax obligations for releases of awards granted under the Molina Healthcare, Inc. 2019 Equity Incentive Plan.(2)In October 2024, our board of directors authorized the purchase of up to $1 billion of our common stock. This new program extends through December 31, 2025 and supersedes the stock purchase program previously approved by our board of directors in September 2023. The exact timing and amount of any repurchase is 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. For further information on our stock repurchase programs, refer to the accompanying Notes to Financial Statements, Note 13, â€œStockholders' Equity.â€STOCK PERFORMANCE GRAPHThe following graph and related discussion are being furnished solely to accompany this Form 10-K pursuant to Item 201(e) of Regulation S-K and shall not be deemed to be â€œsoliciting materialsâ€ or to be â€œfiledâ€ with the U.S. Securities and Exchange Commission (â€œSECâ€) (other than as provided in Item 201) nor shall this information be incorporated by reference into any future filing under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language contained therein, except to the extent that we specifically incorporate it by reference into a filing.The following line graph compares the percentage change in the cumulative total return on our common stock against the cumulative total return of the StandardÂ & Poorâ€™s Corporation Composite 500 Index (the â€œS&P 500â€), a peer group index for the five-year period from DecemberÂ 31, 2019 to DecemberÂ 31, 2024 and a prior peer group index used in our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. The comparison assumes $100 was invested on December 31, 2019, in our common stock and in each of the foregoing indices and assumes reinvestment of dividends. The stock performance shown on the graph below represents historical stock price performance and is not necessarily indicative of future stock price performance. Molina Healthcare, Inc. 2024 Form 10-K | 37The 2023 peer group index consists of Acadia Healthcare Company, Inc. (ACHC), Centene Corporation (CNC), Cigna Corporation (CI), Community Health Systems, Inc. (CYH), Elevance Health, Inc. (ELV), HCA Healthcare, Inc. (HCA), Humana, Inc. (HUM), Laboratory Corporation of America Holdings (LH), Quest Diagnostics Incorporated (DGX), Tenet Healthcare Corporation (THC) and Universal Health Services, Inc. (UHS). The 2024 peer group index consists of Aflac Incorporated (AFL), Becton, Dickinson and Company (BDX), Boston Scientific Corporation (BSX), Centene Corporation (CNC), The Cigna Group (CI), Community Health Systems, Inc. (CYH), DaVita Inc. (DVA), Elevance Health, Inc. (ELV), HCA Healthcare, Inc. (HCA), Humana, Inc. (HUM), Laboratory Corporation of America Holdings (LH), MetLife, Inc. (MET), Prudential Financial, Inc. (PRU), Quest Diagnostics Incorporated (DGX), Tenet Healthcare Corporation (THC) and Universal Health Services, Inc. (UHS). The Companyâ€™s peer group was updated to include relevant peers across business segment and certain financial metrics, including but not limited to criteria relevant to revenue, market capitalization, EBITDA, organization model, and employee recruitment.STOCK TRADING SYMBOL AND DIVIDENDSOur common stock is listed on the New York Stock Exchange under the trading symbol â€œMOH.â€ As of FebruaryÂ 7, 2025, there were 14 registered holders of record of our common stock, including Cede & Co. To date we have not paid cash dividends on our common stock. We currently intend to retain any future earnings to fund our projected business operations. However, we intend to periodically evaluate our cash position to determine whether to pay a cash dividend in the future. Any future determination to pay dividends will be at the discretion of our board of directors and will depend upon, among other factors, our results of operations, financial condition, capital requirements and contractual and regulatory restrictions. For more information regarding restrictions on the ability of our regulated subsidiaries to pay dividends to us, please see the Notes to Consolidated Financial Statements, Note 15, â€œCommitments and Contingenciesâ€”Regulatory Capital Requirements and Dividend Restrictions.â€UNREGISTERED SALES OF SECURITIESNone.Molina Healthcare, Inc. 2024 Form 10-K | 38Item 7. MANAGEMENTâ€™S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (â€œMD&Aâ€)Managementâ€™s discussion and analysis of financial condition and results of operations as of and for the years ended December 31, 2024 and 2023, are presented in the sections that follow. Our MD&A as of and for the year ended December 31, 2022, may be found in our 2023 Annual Report on Form 10-K, which prior disclosure is incorporated by reference herein. The following discussion and analysis does not include certain items related to the year ended December 31, 2022, including year-to-year comparisons between the year ended December 31, 2023 and the year ended December 31, 2022. For a comparison of our results of operations for the fiscal years ended December 31, 2023 and December 31, 2022, see â€œManagement's Discussion and Analysis of Financial Condition and Results of Operationsâ€ in our Annual Report on Form 10-K for the year ended December 31, 2023, filed with the SEC on February 13, 2024.OVERVIEWMolina Healthcare, Inc., a FORTUNE 500 company, provides managed healthcare services under the Medicaid and Medicare programs, and through the state insurance marketplaces (the â€œMarketplaceâ€). We served approximately 5.5 million members as of DecemberÂ 31, 2024, located across 21 states. 2024 HIGHLIGHTS Highlights of our full-year 2024 results included the following:â€¢Net income of $1,179 million, or $20.42 per diluted share, compared to $1,091 million, or $18.77 per diluted share in 2023;â€¢Membership of 5.5 million at DecemberÂ 31, 2024, mainly reflecting the impact of our growth initiatives, which partially offset the impact of Medicaid redeterminations;â€¢Total revenue of $40.7 billion, which increased 19% compared to 2023;â€¢Premium revenue of $38.6 billion, which increased 19% compared to 2023;â€¢Consolidated medical care ratio (â€œMCRâ€) of 89.1%, compared to 88.1% in 2023;â€¢General and administrative expense ratio (â€œG&A ratioâ€) of 6.7%, which decreased from 7.2% in 2023;â€¢Investment income of $452 million, which increased 5% compared to 2023; andâ€¢After-tax margin of 2.9%, compared to 3.2% in 2023.Growth InitiativesIn addition to delivering strong 2024 financial results, we continued to execute on our profitable growth strategy. To recap the growth milestones achieved in 2024 and early 2025: â€¢Effective January 1, 2024, we closed our acquisition of Bright Healthâ€™s California Medicare business (Brand New Day and Central Health Plan of California);â€¢On January 1, 2024, we successfully launched our Nebraska health plan and launched our expanded California Medicaid platform, including Los Angeles county, which approximately doubled the size of our business in the state; â€¢Our new contracts with New Mexico started on July 1, 2024, Texas STAR+PLUS started on September 1, 2024 and Michigan started on October 1, 2024;â€¢Successfully defended RFPs for Medicaid contracts in Florida, Michigan, Mississippi, Texas, and Wisconsin and procured Medicare contracts in Idaho, Massachusetts, Michigan, and Ohio;â€¢Effective February 1, 2025, we closed on our acquisition of ConnectiCare and expect approximately $1.2 billion of revenue, mostly in our Marketplace segment.Collectively, newly reported RFP successes and acquisitions in 2024 represent nearly $7 billion of incremental annual premium revenue, which will be partially realized in 2025, is expected to be mostly realized in 2026 and is expected to be fully realized in 2027 and 2028. Molina Healthcare, Inc. 2024 Form 10-K | 39FINANCIAL RESULTS SUMMARYÂ Year Ended December 31,Â 20242023(In millions, except per-share amounts)Premium revenue$38,627Â $32,529Â Less: medical care costs 34,428Â 28,669Â Medical margin 4,199Â 3,860Â MCR (1)89.1Â %88.1Â %Other revenues: Premium tax revenue1,486Â 1,069Â Investment income452Â 394Â Other revenue85Â 80Â General and administrative expenses2,743Â 2,462Â G&A ratio (2)6.7Â %7.2Â %Premium tax expenses1,486Â 1,069Â Depreciation and amortization 186Â 171Â Other 100Â 128Â Operating income1,707Â 1,573Â Interest expense118Â 109Â Income before income tax expense1,589Â 1,464Â Income tax expense410Â 373Â Net income$1,179Â $1,091Â Net income per diluted share $20.42Â $18.77Â Diluted weighted average shares outstanding 57.7Â 58.1Â Other Key Statistics:Ending Membership 5.5Â 5.0Â Effective income tax rate25.8Â %25.5Â %After-tax margin (3)2.9Â %3.2Â %_________________(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)After-tax margin represents net income as a percentage of total revenue. CONSOLIDATED RESULTSNET INCOME AND OPERATING INCOMENet income amounted to $1,179 million, or $20.42 per diluted share in 2024, compared with net income of $1,091 million, or $18.77 per diluted share, in 2023. Operating income was $1,707 million in 2024, compared with $1,573 million in 2023. The increase in operating income was mainly due to the impact of increased premiums and medical margin stemming from our membership growth, improved G&A expense ratio, and increased investment income, partially offset by an increase in the consolidated MCR. In addition, the 2023 results reflect a $41 million credit loss related to 2022 Marketplace risk adjustment receivables. Molina Healthcare, Inc. 2024 Form 10-K | 40PREMIUM REVENUEPremium revenue increased $6.1 billion, or 19%, in 2024, when compared with 2023. The higher premium revenue reflects the impact of a balanced combination of the new Medicaid contract wins, acquisitions, and growth in our current footprint, partially offset by the impact of Medicaid redeterminations.MEDICAL CARE RATIOThe consolidated MCR increased to 89.1% in 2024, compared with 88.1% in 2023, or 100 basis points, and was slightly above our long-term range. The increase is driven mainly by our Medicaid segment, mainly reflecting the continued impact of redetermination-related acuity shifts, higher utilization among our continuing population, particularly in the second half of 2024, and higher initial MCRs related to new contracts, expansion and the My Choice acquisition, partially offset by minimum MLRs and medical cost corridors, continued disciplined medical cost management and year-over-year improvement in our Medicaid and Marketplace segments. See further discussion in â€œReportable Segmentsâ€”Segment Financial Performance,â€ below.Prior year reserve development has been favorable in 2024, but its impact on earnings has been mostly absorbed by minimum MLRs and medical cost corridors.PREMIUM TAX REVENUE AND EXPENSESThe premium tax ratio increased to 3.7% in 2024, compared with 3.2% in 2023, due mainly to the reinstatement of the California MCO tax by the stateâ€™s Department of Health Care Services effective April 1, 2023, and changes in business mix.INVESTMENT INCOMEInvestment income increased to $452 million in 2024, compared with $394 million in 2023. The increase was primarily driven by an increase in invested assets. OTHER REVENUEOther revenue increased slightly to $85 million in 2024, compared with $80 million in 2023. Other revenue mainly includes service revenue associated with long-term services and supports consultative services we provide in Wisconsin.GENERAL AND ADMINISTRATIVE (â€œG&Aâ€) EXPENSESThe G&A ratio was 6.7% in 2024, compared to 7.2% in 2023. The G&A ratio in 2024 reflects operating discipline, including labor cost management and vendor management, and the continued benefit of fixed cost leverage as we grow our business, partially offset by new business implementation costs associated with the Nebraska and California Medicaid contracts that started in January 2024 and the New Mexico Medicaid contract that started on July 1, 2024. DEPRECIATION AND AMORTIZATIONDepreciation and amortization was $186 million in 2024, compared with $171 million in 2023. The increase is due to impacts of the My Choice Wisconsin and Bright Health Medicare acquisitions.OTHER OPERATING EXPENSESOther operating expenses totaled $100 million in 2024, compared with $128 million in 2023. The change is primarily due to the $41 million credit loss on 2022 Marketplace risk adjustment receivables recorded in the third quarter of 2023. This was partially offset by increases in non-recurring costs associated with acquisitions. Other operating expenses also include service costs associated with long-term services and supports consultative services we provide in Wisconsin, as noted above.INTEREST EXPENSEInterest expense was $118 million in 2024, compared with $109 million in 2023. The increase is due to borrowings under the Credit Facility occurring in the third quarter of 2024 and the new $750 million 6.250% Notes due 2033 that were issued in November 2024.INCOME TAXESIncome tax expense amounted to $410 million in 2024, or 25.8% of pretax income, compared with income tax expense of $373 million in 2023, or 25.5% of pretax income. The difference in the effective tax rate is primarily due to an increase in state and local income taxes and differences in discrete tax benefits recognized in the respective periods, net of a decrease in nondeductible expenses.Molina Healthcare, Inc. 2024 Form 10-K | 41REPORTABLE SEGMENTSAs of December 31, 2024, we served approximately 5.5 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 reportable segments consisting of: 1)Â Medicaid; 2)Â Medicare; 3)Â Marketplace; and 4)Â 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.See "Item 1. Business,â€ for further description of our segments.HOW WE ASSESS PERFORMANCEWe 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 Medicaid, Medicare, and Marketplace segments are premium revenue, medical margin and medical care ratio (â€œMCRâ€). MCR represents the amount of medical care costs as a percentage of premium revenue. Therefore, the underlying medical margin, or the amount earned by the Medicaid, Medicare, and Marketplace segments after medical costs are deducted from premium 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. The key metric used to assess the performance of our Other segment is service margin. The service margin is equal to service revenue minus cost of service revenue. Managementâ€™s discussion and analysis of the change in medical margin is discussed below under â€œSegment Financial Performance.â€ For more information, see Notes to Consolidated Financial Statements, Note 16, â€œSegments.â€TRENDS AND UNCERTAINTIESFor a discussion of the trends, uncertainties and other developments that affected our reportable segments, refer to â€œItem 1. Businessâ€”Our Business,â€ â€œâ€”Trends and Uncertainties,â€ â€œâ€”Legislative and Political Environment,â€ â€œâ€”Operationsâ€”Medical Management,â€ and â€œâ€”Regulation.â€SEGMENT FINANCIAL PERFORMANCEThe following table summarizes our membership by segment as of the dates indicated:As of DecemberÂ 31,20242023Medicaid4,890,000Â 4,542,000Â Medicare242,000Â 172,000Â Marketplace403,000Â 281,000Â Total5,535,000Â 4,995,000Â The tables below summarize premium revenue, medical margin, and MCR by segment for the periods indicated (dollars in millions):Year Ended December 31,20242023Premium RevenueMedical MarginMCRPremium RevenueMedical MarginMCRMedicaid $30,579Â $2,979Â 90.3Â %$26,327Â $2,973Â 88.7Â %Medicare 5,542Â 603Â 89.1Â 4,179Â 388Â 90.7Â Marketplace2,506Â 617Â 75.4Â 2,023Â 499Â 75.3Â Total$38,627Â $4,199Â 89.1Â %$32,529Â $3,860Â 88.1Â %Molina Healthcare, Inc. 2024 Form 10-K | 42MedicaidKey factors affecting results for this segment include:â€¢Our growth initiatives, including acquisitions and expansion into new states, drove an increase in member months during the year, despite the impact of redeterminations, and changes in membership mix; â€¢Impact of redetermination, including the loss of approximately 675,000 members, and a moderate impact from the effect of acuity shifts, net of the beneficial impact of risk corridors; andâ€¢Continued focus on managing medical costs amid higher-than-expected utilization, particularly in LTSS, pharmacy and behavioral health services. Medicaid premium revenue increased $4.3 billion, or 16%Â in 2024, when compared with 2023. The higher premium revenue reflects new contract wins in Iowa (commenced in July 2023), Nebraska (commenced in January 2024), and New Mexico (commenced in July 2024), expansions in California and Texas that commenced in January 2024, and September 2024, respectively, and the My Choice acquisition that closed in September 2023. These increases were partially offset by the impact of Medicaid redetermination. The medical margin of our Medicaid program increased $6 million in 2024, when compared with 2023. The change was driven by the impact of increased premium revenues associated with the membership growth discussed above, partially offset by an increase in the MCR, as discussed below. The Medicaid MCR increased 160 basis points to 90.3% in 2024, from 88.7% in 2023. The increase was mainly attributable to the continued impact of redetermination-related acuity shifts, higher utilization among our continuing population, particularly in the second half of the year, and a temporal dislocation between premium rates and medical trend. Also, approximately 30 basis points of the increase is driven by the higher initial MCR associated with the start of new contracts and the My Choice acquisition, and approximately 20 basis points was due to a prior year retroactive premium rate reduction in our California business. The increase was partially offset by minimum MLR and medical cost corridors, and medical cost management. Excluding new contracts and the My Choice acquisition, our legacy Medicaid MCR for the year ended December 31, 2024 is above our long-term target range. MedicareKey factors affecting results for this segment include:â€¢Pricing and benefit design changes implemented in 2024;â€¢Increased utilization of LTSS benefits, high-cost drugs, and outpatient services; and â€¢The impact of risk-adjusted premiums that are more commensurate with the acuity of our membership.Medicare premium revenue increased $1.4 billion, or 33%, in 2024 compared to 2023. The increase was primarily due to the Bright Health Medicare acquisition that closed on January 1, 2024, the impact of MAPD and D-SNP membership expansion and organic membership growth in existing states, and increased premiums that are more commensurate with the acuity of our population. The medical margin for Medicare increased $215 million in 2024 compared to 2023. The increase was mainly due to the year-over-year growth in membership and premium revenues combined with the decrease in MCR discussed below. The Medicare MCR decreased to 89.1% in 2024, from 90.7% in 2023, or 160 basis points, primarily driven by higher risk adjustment premiums that are commensurate with the acuity of our membership, pricing and benefit design changes implemented in 2024 and operational improvements, partially offset by elevated LTSS and pharmacy costs and higher outpatient utilization within our D-SNP population. The Medicare MCR for the year ended December 31, 2024 is above our long-term target range. MarketplaceKey factors affecting results for this segment include:â€¢Execution of our product and pricing strategy, to achieve growth and repositioning in the metallic tier membership mix, while maintaining target margins; andâ€¢Achievement of member risk scores and associated risk-adjusted premium that are commensurate with the health status, or acuity, of our Marketplace members.Marketplace premium revenue increased $483 million in 2024 compared to 2023. The increase was mainly due to an increase in membership. Our Marketplace membership as of December 31, 2024, amounted to 403,000 members, representing an increase of 122,000 members compared to December 31, 2023, which is in line with our Molina Healthcare, Inc. 2024 Form 10-K | 43product and pricing strategy to achieve growth, while maintaining target margins in this segment, and membership gained from redeterminations this year. The Marketplace medical margin increased $118 million in 2024, primarily due to the growth in premiums and margin associated with the higher membership and the impact of MCR changes discussed below. The Marketplace MCR was 75.4% in 2024 and 75.3% in 2023. The MCR in each year reflects our product and pricing strategy to achieve growth and maintain target margins, changes in membership mix, risk adjustment premiums that are more commensurate with the acuity of our membership, and continued operational improvements. Our 2024 Marketplace MCR was well below our long-term target range.OtherThe Other segment includes service revenues and costs associated with the long-term services and supports consultative services we provide in Wisconsin, and also includes certain corporate amounts not allocated to the Medicaid, Medicare, or Marketplace segments. Such amounts were immaterial to our consolidated results of operations for 2024 and 2023.LIQUIDITY, FINANCIAL CONDITION AND CAPITAL RESOURCESLIQUIDITYWe 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 subsidiariesâ€™ 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 â€œRegulatory Capital and Dividend Restrictionsâ€ 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. The regulated health plan subsidiaries paid dividends to the parent company amounting to $997 million in 2024 and $705 million in 2023. 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. The parent company contributed capital of $490 million and $221 million in 2024 and 2023, respectively, to our regulated health plan subsidiaries to satisfy statutory capital and surplus requirements. The higher contributions in 2024 were mainly attributed to fund our California, Iowa, Nebraska, and Wisconsin health plans. 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 $445Â million and $742Â million as of December 31, 2024, and 2023, respectively. The decrease in 2024 was primarily due to funding of our Bright Health Medicare acquisition for $441 million and the purchase of approximately 3.1 million shares of our stock for $1.0 billion in the third and fourth quarter of 2024, partially offset by the $740 million net proceeds from issuing the new 6.250% Notes, net inflows from dividends received from and capital contributions made to our regulated health plan subsidiaries, and the timing of corporate payments. Molina Healthcare, Inc. 2024 Form 10-K | 44InvestmentsAfter 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 ActivitiesOur cash flows are summarized as follows:Year Ended DecemberÂ 31,20242023Change(In millions)Net cash provided by operating activities$644Â $1,662Â $(1,018)Net cash used in investing activities(464)(744)280Â Net cash used in financing activities(347)(58)(289)Net (decrease) increase in cash, cash equivalents, and restricted cash and cash equivalents(167)860Â $(1,027)Operating ActivitiesWe 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 monthâ€™s premium payment. Net cash provided by operations was $644 million in 2024, compared with $1,662 million in 2023. The $1,018 millionÂ decrease in 2024 cash flow was due to timing differences in government receivables and payables, including the receipt of Medicare and Medicaid 2024 premium prepayments in the 2023 period, and increased risk corridor settlement activity in 2024. Investing Activities Net cash used in investing activities was $464 million in 2024, compared with $744 million in 2023. The change in cash flow was primarily due to a $295 million net cash outflow related to the Bright Health Medicare acquisition in January 2024, and $49 million for final purchase consideration paid for the My Choice Wisconsin acquisition, offset by the net activity of proceeds and purchases of investments, which were net purchases of $21 million in 2024 and net purchases of $661 million in 2023. Financing ActivitiesNet cash used in financing activities was $347 millionÂ in 2024, compared with $58 million in 2023, a decrease in year-over-year cash flow of $289 million. In 2024, financing activity included $740 million of net proceeds from the issuance of the $750 million 6.250% Notes due 2033, offset by common stock purchases of $1,000 million and $300 million in gross borrowings and payments under the Credit Facility. In 2024 and 2023, cash outflows included $57 million and $60 million, respectively, for common stock withheld to settle employee tax obligations. Molina Healthcare, Inc. 2024 Form 10-K | 45FINANCIAL CONDITIONWe believe that our cash resources, borrowing capacity available under our Credit Agreement as discussed further below in â€œFuture Sources and Uses of Liquidityâ€”Future Sources,â€ 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.On a consolidated basis, as of DecemberÂ 31, 2024, our working capital was $4.9 billion compared with $4.4 billion as of DecemberÂ 31, 2023. At DecemberÂ 31, 2024, our cash and investments amounted to $9.3 billion, compared with $9.4 billion of cash and investments at DecemberÂ 31, 2023. 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 losses on our investments classified as current and available for sale decreased to $75Â million at DecemberÂ 31, 2024 compared to $108 million at DecemberÂ 31, 2023. 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 â€œLiquidityâ€ 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 $2.6Â billion at DecemberÂ 31, 2024 and $2.3 billion at DecemberÂ 31, 2023. 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 DecemberÂ 31, 2024, was approximately $400 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 DecemberÂ 31, 2024, 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 and surplus requirements.Capital StructureIn October 2024, our board of directors authorized the purchase of up to $1Â billion of our common stock. This new program supersedes the stock purchase program previously approved by our board of directors in September 2023 and extends through December 31, 2025. As debt held by the parent company comes due, we typically engage in a new private offering of debt to retire and replace the prior issuance. In addition, on November 18, 2024 (the â€œSettlement Dateâ€), we completed a private offering of $750 million aggregate principal amount of our 6.250% Senior Notes due 2033 (the â€œ6.250% Notesâ€) pursuant to an indenture, dated as of the Settlement Date with U.S. Bank Trust Company and National Association, as trustee. The 6.250% Notes bear interest at a rate of 6.250% per year. Interest on the 6.250% Notes is payable semi-annually in arrears on January 15 and July 15 of each year, commencing July 15, 2025. Interest accrues from the Settlement Date. The 6.250% Notes will mature on January 15, 2033. For several years we saw a continued decline in interest rates, which benefited our overall cost of capital during that time. However, interest rates have increased since we issued our 3.875% Notes due 2032 in 2021, as we experienced with our most recent issuance of our 6.250% Notes in 2024. Accordingly, future refinancing may occur at a higher rate than those we have achieved historically. This would increase our cost of capital in the future or may cause us to pursue alternative financing sources, should the need arise.We are not a party to any off-balance sheet financing arrangements.Molina Healthcare, Inc. 2024 Form 10-K | 46Debt RatingsEach of our senior notes is rated â€œBBâ€ by Standard & Poorâ€™s, and â€œBa2â€ by Moodyâ€™s Investor Service, Inc. A downgrade in our ratings could adversely affect our borrowing capacity and increase our borrowing costs. Financial CovenantsOur 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 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 DecemberÂ 31, 2024, we were in compliance with all financial and non-financial covenants under the Credit Agreement and other long-term debt.FUTURE SOURCES AND USES OF LIQUIDITYFuture SourcesOur 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. For more information on our regulatory capital requirements and dividend restrictions, refer to Notes to Consolidated Financial Statements, Note 15, â€œCommitments and Contingenciesâ€”Regulatory Capital Requirements and Dividend Restrictions,â€ and Note 17, â€œCondensed Financial Information of Registrantâ€”NoteÂ CÂ - Dividends and Capital Contributions.â€Credit Agreement Borrowing Capacity. On September 20, 2024, we entered into a Second Amendment to our Credit Agreement, which, among other things, increased available commitments under our revolving credit facility (â€œCredit Facilityâ€) to $1.25Â billion, and extended the termination date of lending commitments to September 20, 2029. The Credit Agreement also provides for a $15Â million swingline sub-facility and a $100Â million letter of credit sub-facility, as well as incremental term loans available to finance certain acquisitions up to $800Â million, plus an unlimited amount of such term loans as long as we maintain a minimum consolidated net leverage ratio. As of DecemberÂ 31, 2024, we had available borrowing capacity of $1.25 billion under the Credit Agreement. See further discussion in the Notes to Consolidated Financial Statements, Note 11, â€œDebt.â€ Future UsesCommon Stock Purchases. In October 2024, our board of directors authorized the purchase of up to $1Â billion of our common stock. This new program extends through December 31, 2025 and supersedes the stock purchase program previously approved by our board of directors in September 2023. The exact timing and amount of any repurchase is 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 FebruaryÂ 11, 2025, $500 million remained available to purchase our common stock under this program through December 31, 2025. See further information in the Notes to Consolidated Financial Statements, Note 13, â€œStockholders' Equity.â€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. For further information on our acquisitions, refer to the Notes to Consolidated Financial Statements, Note 4, â€œBusiness Combinations.â€Connecticut Acquisitionâ€”Marketplace and Medicare. Effective February 1, 2025, we closed on our acquisition of 100% of the issued and outstanding capital stock of ConnectiCare Holding Company, Inc. The purchase price for the transaction was $350Â million.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.The Molina Healthcare Charitable Foundation. In 2020, we announced our formation of The Molina Healthcare Charitable Foundation (the â€œFoundationâ€), an independent not-for-profit charitable foundation. We have contributed Molina Healthcare, Inc. 2024 Form 10-K | 47$20 million to the Foundation on a cumulative basis as of December 31, 2024. Since 2021, the Molina Healthcare Charitable Foundation has funded over 800 grants to local community organizations in 27 states that address social determinants of health, disaster relief, behavioral health, maternal child health, and other health-related concerns that our afflicting our communities in need.Contractual Obligations. We are party to various contractual obligations that we will be required to satisfy over the short and long term. The majority are discussed in the Notes to Consolidated Financial Statements and primarily include the following: â€¢Medical claims and benefits payable. See Notes to Consolidated Financial Statements, Note 2, â€œSignificant Accounting Policies,â€ and Note 10,Â â€œMedical Claims and Benefits Payable,â€ for further detail. â€¢Amounts due government agencies. See Notes to Consolidated Financial Statements, Notes 2, â€œSignificant Accounting Policies,â€ for further detail.â€¢Debt obligations. See Notes to Consolidated Financial Statements, Note 11, â€œDebt,â€ for further detail of our long-term debt and the timing of expected future payments. Interest payments are paid semi-annually. â€¢Leases. See Notes to Consolidated Financial Statements, Note 8,Â â€œLeases,â€ for further detail of our finance and operating lease obligations and the timing of expected future payments. Some items are based on managementâ€™s estimates and assumptions about obligations, including duration, the possibility of renewal, anticipated actions by third parties, and other factors. Because these estimates and assumptions are necessarily subjective, the contractual obligations we will actually pay in future periods may vary. Additionally, we have a variety of other contractual agreements related to acquiring services used in our operations. However, we believe these other agreements do not contain material non-cancelable commitments. CRITICAL ACCOUNTING ESTIMATESWhen we prepare our consolidated financial statements, we use estimates and assumptions that may affect reported amounts and disclosures. Actual results could differ from these estimates, and some differences could be material. Our most significant accounting estimates, which include a higher degree of judgment and/or complexity, include the following:â€¢Medical costs, claims and benefits payable. See discussion below, and refer to the Notes to Consolidated Financial Statements, Note 2, â€œSignificant Accounting Policies,â€ and Note 10, â€œMedical Claims and Benefits Payableâ€ for more information.â€¢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 the Notes to Consolidated Financial Statements, Note 2, â€œSignificant Accounting Policies.â€ â€¢Business Combinations, and Goodwill and intangible assets, net. For a comprehensive discussion of this topic, including amounts recorded in our consolidated financial statements, refer to the Notes to Consolidated Financial Statements, Note 2, â€œSignificant Accounting Policies,â€ Note 4, â€œBusiness Combinations,â€ and Note 9, â€œGoodwill and Intangible Assets, Net.â€MEDICAL CARE COSTS, MEDICAL CLAIMS AND BENEFITS PAYABLEMedical care costs are recognized in the period in which services are provided and include fee-for-service claims, pharmacy benefits, capitation payments to providers, and various other medically-related costs. Under fee-for-service claims arrangements with providers, we retain the financial responsibility for medical care provided and incur costs based on actual utilization of hospital and physician services. Such medical care costs include amounts paid by us as well as estimated medical claims and benefits payable for costs that were incurred but not paid as of the reporting date (â€œIBNPâ€). Pharmacy benefits represent payments for members' prescription drug costs, net of rebates from drug manufacturers. We estimate pharmacy rebates based on historical and current utilization of prescription drugs and contractual provisions. Capitation payments represent monthly contractual fees paid to providers, who are responsible for providing medical care to members, which could include medical or ancillary costs like dental, vision and other supplemental health benefits. Such capitation costs are fixed in advance of the periods covered and are not subject to significant accounting estimates. Other medical care costs include all medically-related administrative costs, amounts due to providers pursuant to risk-sharing or other incentive arrangements, provider claims, claim overpayment recoveries, and other healthcare expenses. Examples of medically-related administrative costs include expenses relating to health education, quality assurance, case management, care coordination, disease management, and 24-hour on-call nurses. Additionally, we include an estimate for the cost of settling claims incurred through the reporting date in our medical claims and benefits payable liability.Molina Healthcare, Inc. 2024 Form 10-K | 48The following table illustrates consolidated medical care costs by type for the periods indicated: Â Year Ended DecemberÂ 31,Â 20242023Amount% ofTotalAmount% ofTotal(In millions)Fee-for-service$25,386Â 73.7Â %$21,415Â 74.7Â %Pharmacy4,331Â 12.6Â 3,987Â 13.9Â Capitation3,048Â 8.9Â 1,651Â 5.8Â Other1,663Â 4.8Â 1,616Â 5.6Â Total$34,428Â 100.0Â %$28,669Â 100.0Â %
claims and benefits payable consist mainly of fee-for-service IBNP, unpaid pharmacy claims, capitation costs, other medical costs, including amounts payable to providers pursuant to risk-sharing or other incentive arrangements, and amounts payable to providers on behalf of certain state agencies for certain state assessments in which we assume no financial risk. 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. When more complete claims payment information and healthcare cost trend data becomes available, we reflect changes in these estimates as an increase or decrease to medical care costs in the consolidated results of operations in the period in which they are determined.The estimation of the IBNP liability requires a significant degree of judgment in applying actuarial methods, determining the appropriate assumptions and considering numerous factors. Of those factors, we consider estimated completion factors (measures the cumulative percentage of claims expense that will ultimately be paid for a given month of service based on historical payment patterns) and the assumed healthcare cost trend (the year-over-year change in per-member per-month medical care costs) to be the most critical assumptions. Other relevant factors also include, but are not limited to, healthcare service utilization trends, claim inventory levels, changes in membership, product mix, seasonality, benefit changes or changes in fee schedules, provider contract changes, prior authorizations and the incidence of catastrophic or pandemic cases.For claims incurred more than three months before the financial statement date, we mainly use estimated completion factors to estimate the ultimate cost of those claims. Completion factors measure the cumulative percentage of claims expense that will ultimately be paid for a given month of service based on historical claims payment patterns. We analyze historical claims payment patterns by comparing claim incurred dates to claim payment dates to estimate completion factors. The estimated completion factors are then applied to claims paid through the financial statement date to estimate the ultimate claims cost for a given monthâ€™s incurred claim activity. The difference between the estimated ultimate claims cost and the claims paid through the financial statement date represents our estimate of claims remaining to be paid as of the financial statement date and is included in our IBNP liability.For claims incurred within three months before the financial statement date, actual claims paid are a less reliable measure of our ultimate cost since a large portion of medical claims are not submitted to us until several months after services have been provided. Accordingly, we estimate our IBNP liability for claims incurred during these months based on a blend of estimated completion factors and assumed medical care cost trend. The assumed medical care cost trend represents the year-over-year change in per-member per-month medical care costs, which can be affected by many factors including, but not limited to, our ability and practices to manage medical and pharmaceutical costs, changes in level and mix of services utilized, mix of benefits offered, including the impact of co-pays and deductibles, changes in medical practices, changes in member demographics, catastrophes and epidemics, and other relevant factors.Actuarial standards of practice generally require a level of confidence such that our overall best estimate of the IBNP liability has a greater probability of being adequate versus being insufficient, where the liability is sufficient to account for moderately adverse conditions. Accordingly, our reserving practice is to consistently recognize the actuarial best estimate including a provision for moderately adverse conditions for each current period. This provision is reported as part of â€œComponents of medical care costs related to: Current yearâ€ in the table presented in Note 10, â€œMedical Claims and Benefits Payable.â€ Adverse conditions are situations that may cause actual claims to be higher than the otherwise estimated value of such claims at the time of the estimate, such as changes in the magnitude or severity of claims, uncertainties related to our entry into new geographical markets or provision of Molina Healthcare, Inc. 2024 Form 10-K | 49services to new populations, changes in state-controlled fee schedules, and modifications or upgrades to our claims processing systems and practices. Therefore, in many situations, the claim amounts ultimately settled will be less than the estimate that satisfies the actuarial standards of practice. When subsequent actual claims payments are less than we estimated, we recognize a benefit for favorable prior period development that is reported as part of â€œComponents of medical care costs related to: Prior yearsâ€ in the table presented in Note 10. Assuming stability in the size of our membership, the use of this consistent methodology, during any given period, usually results in the replenishment of reserves at a level that generally offsets the benefit of favorable prior period development in that period. In the case of material growth or decline of membership, replenishment can exceed or fall short of the favorable development, assuming all other factors remain unchanged.Because of the significant degree of judgment involved in estimation of our IBNP liability, there is considerable variability and uncertainty inherent in such estimates. The following table reflects the hypothetical change in our estimate of claims liability as of DecemberÂ 31, 2024 that would result if we change our completion factors for the fourth through the twelfth months preceding DecemberÂ 31, 2024, by the percentages indicated. A reduction in the completion factor results in an increase in medical claims liabilities. Dollar amounts are in millions.Increase (Decrease) in Estimated Completion FactorsIncreaseÂ (Decrease)Â in Medical Claims andBenefits Payable(6)%$1,139Â (4)%759Â (2)%380Â 2%(380)4%(759)6%(1,139)The following table reflects the hypothetical change in our estimate of claims liability as of DecemberÂ 31, 2024 that would result if we alter our assumed medical care cost trend factors by the percentages indicated. An increase in the PMPM costs results in an increase in medical claims liabilities. Dollar amounts are in millions.(Decrease) Increase in Trended Per Member Per Month Cost Estimates(Decrease)Â IncreaseÂ in Medical Claims andBenefits Payable(6)%$(394)(4)%(262)(2)%(131)2%131Â 4%262Â 6%394Â There are many related factors working in conjunction with one another that determine the accuracy of our estimates, some of which are qualitative in nature rather than quantitative. Therefore, we are seldom able to quantify the impact that any single factor has on a change in estimate. Given the variability inherent in the reserving process, we will only be able to identify specific factors if they represent a significant departure from expectations. As a result, we do not expect to be able to fully quantify the impact of individual factors on changes in estimates.RECENTLY ISSUED ACCOUNTING STANDARDSRefer to the Notes to Consolidated Financial Statements, Note 2, â€œSignificant Accounting Policies,â€ for a discussion of recent accounting pronouncements that affect us.Molina Healthcare, Inc. 2024 Form 10-K | 50Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKOur 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 DecemberÂ 31, 2024, the fair value of our fixed income investments would decrease by approximately $112 million.Â 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 the Notes to Consolidated Financial Statements, Note 5, â€œFair Value Measurements,â€ and Note 6, â€œInvestments.â€Borrowings under the 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 11, â€œDebt.â€Molina Healthcare, Inc. 2024 Form 10-K | 51Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATAÂ Â PageReport of Independent Registered Public Accounting Firm53Audited Consolidated Financial Statements:Consolidated Statements of Income55Consolidated Statements of Comprehensive Income55Consolidated Balance Sheets56Consolidated Statements of Stockholdersâ€™ Equity57Consolidated Statements of Cash Flows58Notes to Consolidated Financial Statements60Molina Healthcare, Inc. 2024 Form 10-K | 52REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMTo the Stockholders and the Board of Directors of Molina Healthcare, Inc.Opinion on the Financial StatementsWe have audited the accompanying consolidated balance sheets of Molina Healthcare, Inc. (the â€œCompanyâ€) as of DecemberÂ 31, 2024 and 2023, theÂ related consolidated statements of income, comprehensive income, stockholdersâ€™ equity and cash flows for each of the three years in the period ended DecemberÂ 31, 2024, and theÂ related notes (collectively referred to as the â€œconsolidated financial statementsâ€). InÂ our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at DecemberÂ 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended DecemberÂ 31, 2024, in conformity with U.S. generally accepted accounting principles. We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (â€œPCAOBâ€), the Companyâ€™s internal control over financial reporting as of DecemberÂ 31, 2024, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated FebruaryÂ 11, 2025 expressed an unqualified opinion thereon.Basis for OpinionThese financial statements are the responsibility of the Company's management. OurÂ responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB. We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion. Critical Audit MatterThe critical audit matter communicated below is a matter arising from the current period audit of the financial statements thatÂ was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures thatÂ are material to the financial statements and (2)Â involved our especially challenging, subjective or complex judgments. TheÂ communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.Incurred but not paid (IBNP) claims reservesDescription of the MatterAs of DecemberÂ 31, 2024, the Companyâ€™s liability for fee-for-service claims incurred but not paid (â€œIBNPâ€) comprised $3,085 million of the $4,640 million of Medical Claims and Benefits Payable. As described in Note 10 to the consolidated financial statements, the Companyâ€™s IBNP liability is determined using actuarial methods that include a number of factors and assumptions, including completion factors, which seek to measure the cumulative percentage of claims expense that will be paid for a given month of service as of the reporting date, based on historical payment patterns, and assumed health care cost trend factors, which represent an estimate of claims expense based on recent claims expense levels and healthcare cost levels. There is significant uncertainty inherent in determining managementâ€™s best estimate of completion and trend factors, which are used to calculate actuarial estimates of incurred but not paid claims. Molina Healthcare, Inc. 2024 Form 10-K | 53Auditing management's estimate of the IBNP liability was complex and required the involvement of our actuarial specialists due to the highly judgmental nature of the completion factors and healthcare cost trend assumptions used in the valuation process. The significant judgment was primarily due to the sensitivity of management's best estimate of completion factors and healthcare cost trend assumptions, which have a significant impact on the valuation of the IBNP liability.How we addressed the matter in our auditWe obtained an understanding, evaluated the design, and tested the operating effectiveness of the Companyâ€™s controls over the process for estimating the IBNP liability. This included testing management review controls over completion factors and healthcare cost trend assumptions, and managementâ€™s review and approval of actuarial methods used to calculate the IBNP liability, including the data inputs and outputs of those models.To test the IBNP liability, our audit procedures included, among others, testing the completeness and accuracy of data used in the calculation by testing reconciliations of underlying claims and membership data recorded in source systems to the actuarial reserving calculations, and comparing a sample of claims to source documentation. With the assistance of actuarial specialists, we (1) analyzed the Companyâ€™s completion and trend factor assumptions based on historical claim experience and healthcare cost trends by independently calculating a range of reasonable reserve estimates for comparison to managementâ€™s best estimate of the liability for incurred but not paid claims and (2) performed a review of the prior period IBNP liabilities for incurred but not paid claims using subsequent claims development. Additionally, we reviewed and evaluated managementâ€™s disclosures surrounding the IBNP liability. /s/Â ErnstÂ & Young LLPWe have served as the Companyâ€™s auditor since 2000. Los Angeles, CaliforniaFebruaryÂ 11, 2025 Molina Healthcare, Inc. 2024 Form 10-K | 54CONSOLIDATED STATEMENTS OF INCOMEÂ Year Ended DecemberÂ 31,Â 202420232022Â (In millions, except per-share data)Revenue:Premium revenue$38,627Â $32,529Â $30,883Â Premium tax revenue1,486Â 1,069Â 873Â Investment income452Â 394Â 143Â Other revenue85Â 80Â 75Â Total revenue40,650Â 34,072Â 31,974Â Operating expenses:Medical care costs34,428Â 28,669Â 27,175Â General and administrative expenses2,743Â 2,462Â 2,311Â Premium tax expenses1,486Â 1,069Â 873Â Depreciation and amortization186Â 171Â 176Â Impairmentâ€”Â â€”Â 208Â Other100Â 128Â 58Â Total operating expenses38,943Â 32,499Â 30,801Â Operating

income1,707Â 1,573Â 1,173Â Interest expense118Â 109Â 110Â Income before income tax expense1,589Â 1,464Â 1,063Â Income tax expense410Â 373Â 271Â Net income$1,179Â $1,091Â $792Â Net income per share:Basic$20.52Â $18.91Â $13.72Â Diluted$20.42Â $18.77Â $13.55Â Weighted average shares outstanding:Basic57.4Â 57.7Â 57.8Â Diluted57.7Â 58.1Â 58.5Â CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOMEÂ Year Ended DecemberÂ 31,Â 202420232022Â (In millions)Net income$1,179Â $1,091Â $792Â Other comprehensive income (loss):Unrealized investment income (loss)33Â 102Â (204)Less: effect of income taxes8Â 24Â (49)Other comprehensive income (loss), net of tax25Â 78Â (155)Comprehensive income$1,204Â $1,169Â $637Â See accompanying notes.Molina Healthcare, Inc. 2024 Form 10-K | 55CONSOLIDATED BALANCE SHEETSDecemberÂ 31,20242023(Dollars in millions,except per-share amounts)ASSETSCurrent assets:Cash and cash equivalents$4,662Â $4,848Â Investments4,325Â 4,259Â Receivables3,299Â 3,104Â Prepaid expenses and other current assets487Â 331Â Total current assets12,773Â 12,542Â Property, equipment, and capitalized software, net288Â 270Â Goodwill and intangible assets, net1,938Â 1,449Â Restricted investments286Â 261Â Deferred income taxes, net 207Â 227Â Other assets138Â 143Â Total assets$15,630Â $14,892Â LIABILITIES AND STOCKHOLDERSâ€™ EQUITYCurrent liabilities:Medical claims and benefits payable$4,640Â $4,204Â Amounts due government agencies 1,874Â 2,294Â Accounts payable, accrued liabilities and other1,331Â 1,252Â Deferred revenue51Â 418Â Total current liabilities7,896Â 8,168Â Long-term debt2,923Â 2,180Â Finance lease liabilities195Â 205Â Other long-term liabilities120Â 124Â Total liabilities11,134Â 10,677Â Stockholdersâ€™ equity:Common stock, $0.001 par value per share; 150 million shares authorized; outstanding: 56 million shares at December 31, 2024, and 58 million at December 31, 2023â€”Â â€”Â Preferred stock, $0.001 par value per share; 20 million shares authorized, no shares issued and outstandingâ€”Â â€”Â Additional paid-in capital462Â 410Â Accumulated other comprehensive loss(57)(82)Retained earnings4,091Â 3,887Â Total stockholdersâ€™ equity4,496Â 4,215Â Total liabilities and stockholdersâ€™ equity$15,630Â $14,892Â See accompanying notes.Molina Healthcare, Inc. 2024 Form 10-K | 56CONSOLIDATED STATEMENTS OF STOCKHOLDERSâ€™ EQUITYCommon StockAdditionalPaid-inCapitalAccumulatedOtherComprehensive (Loss) IncomeRetainedEarningsTotalOutstandingAmount(In millions)Balance at December 31, 202158Â $â€”Â $236Â (5)2,399Â $2,630Â Net incomeâ€”Â â€”Â â€”Â â€”Â 792Â 792Â Common stock purchases(1)â€”Â (5)â€”Â (395)(400)Other comprehensive loss, netâ€”Â â€”Â â€”Â (155)â€”Â (155)Share-based compensation1Â â€”Â 97Â â€”Â â€”Â 97Â Balance at December 31, 202258Â â€”Â 328Â (160)2,796Â 2,964Â Net incomeâ€”Â â€”Â â€”Â â€”Â 1,091Â 1,091Â Other comprehensive income, netâ€”Â â€”Â â€”Â 78Â â€”Â 78Â Share-based compensationâ€”Â â€”Â 82Â â€”Â â€”Â 82Â Balance at December 31, 202358Â â€”Â 410Â (82)3,887Â 4,215Â Net incomeâ€”Â â€”Â â€”Â â€”Â 1,179Â 1,179Â Common stock purchases (3)â€”Â (25)â€”Â (975)(1,000)Stock purchase excise tax â€”Â â€”Â (8)â€”Â â€”Â (8)Other comprehensive income, netâ€”Â â€”Â â€”Â 25Â â€”Â 25Â Share-based compensation1Â â€”Â 85Â â€”Â â€”Â 85Â Balance at December 31, 202456Â $â€”Â $462Â (57)4,091Â $4,496Â See accompanying notes.Molina Healthcare, Inc. 2024 Form 10-K | 57CONSOLIDATED STATEMENTS OF CASH FLOWSYear Ended DecemberÂ 31,202420232022(InÂ millions)Operating activities:Net income$1,179Â $1,091Â $792Â Adjustments to reconcile net income to net cash provided by operating activities:Depreciation and amortization186Â 171Â 176Â Deferred income taxes53Â (31)(66)Share-based compensation116Â 115Â 103Â Impairment â€”Â â€”Â 208Â Other, net8Â 2Â 8Â Changes in operating assets and liabilities, net of the effect of acquisitions:Receivables(78)(778)(95)Prepaid expenses and other current assets(57)(69)(124)Medical claims and benefits payable(40)580Â 153Â Amounts due government agencies (453)196Â (428)Accounts payable, accrued liabilities and other115Â 328Â 55Â Deferred revenue(367)59Â (11)Income taxes(18)(2)2Â Net cash provided by operating activities644Â 1,662Â 773Â Investing activities:Purchases of investments(1,132)(1,433)(1,913)Proceeds from sales and maturities of investments1,111Â 772Â 1,398Â Net cash paid in business combinations(344)(3)(134)Purchases of property, equipment and capitalized software(100)(84)(91)Other, net1Â 4Â (50)Net cash used in investing activities(464)(744)(790)Financing activities:Common stock purchases(1,000)â€”Â (400)Proceeds from senior notes offerings, net of issuance costs 740Â â€”Â â€”Â Proceeds from borrowings under credit facility300Â â€”Â â€”Â Repayment of credit facility(300)â€”Â â€”Â Common stock withheld to settle employee tax obligations(57)(60)(54)Contingent consideration liabilities settledâ€”Â â€”Â (20)Other, net(30)2Â 33Â Net cash used in financing activities(347)(58)(441)Net (decrease) increase in cash and cash equivalents, and restricted cash and cash equivalents(167)860Â (458)Cash and cash equivalents, and restricted cash and cash equivalents at beginning of period4,908Â 4,048Â 4,506Â Cash and cash equivalents, and restricted cash and cash equivalents at end of period$4,741Â $4,908Â $4,048Â See accompanying notes.Molina Healthcare, Inc. 2024 Form 10-K | 58CONSOLIDATED STATEMENTS OF CASH FLOWS(continued)Year Ended DecemberÂ 31,202420232022(In millions)Supplemental cash flow information:Cash paid during the period for:Income taxes, net$379Â $405Â $340Â Interest$121Â $108Â $108Â See accompanying notes.Molina Healthcare, Inc. 2024 Form 10-K | 59NOTES TO CONSOLIDATED FINANCIAL STATEMENTS1. Organization and Basis of Presentation Organization and OperationsMolina Healthcare, Inc. provides managed healthcare services under the Medicaid and Medicare programs, and through the state insurance marketplaces (the â€œMarketplaceâ€). Molina was founded in 1980 as a provider organization serving low-income families in Southern California and reincorporated in Delaware in 2002. We currently have four reportable segments consisting of: 1)Â Medicaid; 2)Â Medicare; 3)Â Marketplace; and 4)Â Other. Our reportable segments are consistent with how we currently manage the business and view the markets we serve. As of December 31, 2024, we served approximately 5.5 million members eligible for government-sponsored healthcare programs, located across 21 states. Our state Medicaid contracts typically have terms of three 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 (â€œRFPâ€) 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 (â€œABDâ€); and regions or service areas.In Medicare, we enter into Medicare Advantage-Part D contracts with the Centers for Medicare and Medicaid Services (â€œCMSâ€) annually, and for dual-eligible programs, we enter into contracts with CMS, in partnership with each stateâ€™s department of health and human services. Such contracts typically have terms of one 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 PresentationThe consolidated financial statements include the accounts of Molina Healthcare, Inc., and its subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation. Financial information related to subsidiaries acquired during any year is included only for periods subsequent to their acquisition. In the opinion of management, all adjustments considered necessary for a fair presentation of the results as of the date and for the periods presented have been included; such adjustments consist of normal recurring adjustments.Use of EstimatesThe preparation of consolidated financial statements in conformity with U.S. generally accepted accounting principles (â€œGAAPâ€) 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 EquivalentsCash 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, 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 â€œRestricted investmentsâ€ in the accompanying consolidated balance sheets. Molina Healthcare, Inc. 2024 Form 10-K | 60December 31,202420232022(In millions)Cash and cash equivalents$4,662Â $4,848Â $4,006Â Restricted cash and cash equivalents79Â 60Â 42Â Total cash and cash equivalents, and restricted cash and cash equivalents presented in the consolidated statements of cash flows$4,741Â $4,908Â $4,048Â InvestmentsOur investments are principally held in debt securities, which are grouped into two separate categories for accounting and reporting purposes: available-for-sale securities and held-to-maturity securities. Available-for-sale (â€œAFSâ€) securities are recorded at fair value and unrealized gains and losses, if any, are recorded in stockholdersâ€™ equity as other comprehensive income, net of applicable income taxes. Held-to-maturity (â€œHTMâ€) securities are recorded at amortized cost, which approximates fair value, and unrealized holding gains or losses are not generally recognized. Realized gains and losses and unrealized losses arising from credit-related factors with respect to AFS and HTM securities are included in the determination of net income. The cost of securities sold is determined using the specific-identification method.Our investment policy requires that all of our investments have final maturities of less than 15 years, or less than 15 years average life for structured securities. Investments and restricted investments are subject to interest rate risk and will decrease in value if market rates increase. Declines in interest rates over time will reduce our investment income.In general, our AFS securities are classified as current assets without regard to the securitiesâ€™ contractual maturity dates because they may be readily liquidated. We monitor our investments for credit-related impairment. For comprehensive discussions of the fair value and classification of our investments, see NoteÂ 5, â€œFair Value Measurements,â€ and NoteÂ 6, â€œInvestments.â€Accrued interest receivable relating to our AFS and HTM securities is presented within â€œPrepaid expenses and other current assetsâ€ in the accompanying consolidated balance sheets, and amounted to $56 million and $53 million at December 31, 2024, and 2023, respectively. We do not measure an allowance for credit losses on accrued interest receivable. Instead, we write off accrued interest receivable that has not been collected within 90 days of the interest payment due date. We recognize such write-offs as a reversal of investment income. No accrued interest was written off during the years ended December 31, 2024, 2023, and 2022.ReceivablesReceivables 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 $2,223 million and $2,354 million at December 31, 2024 and 2023, respectively. We apply the current expected credit loss model to measure expected credits losses on our receivables based on available information about past events, current conditions 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.Business CombinationsWe account for business combinations using the acquisition method of accounting, which requires us to recognize the assets acquired and the liabilities assumed at their acquisition date fair values. As discussed below, the excess of the purchase consideration transferred over the fair value of the net tangible and intangible assets acquired is recorded as goodwill. While we use our best estimates and assumptions to accurately value assets acquired and liabilities assumed at the acquisition date, our estimates are inherently uncertain and subject to refinement. As a result, during the measurement period, which may be up to one year from the acquisition date, we may record adjustments to the assets acquired and liabilities assumed with the corresponding offset to goodwill. Measurement period adjustments are recorded in the period in which they are determined, as if they had been completed at the acquisition date. Upon the conclusion of the final determination of the values of assets acquired or liabilities assumed, or one year after the date of acquisition, whichever comes first, any subsequent adjustments are recorded within our consolidated results of operations. Refer to Note 4, â€œBusiness Combinations,â€ and Note 9, â€œGoodwill and Intangible Assets, Net,â€ for further details.Molina Healthcare, Inc. 2024 Form 10-K | 61Long-Lived Assets, including Intangible AssetsLong-lived assets consist primarily of property, equipment, capitalized software (see Note 7, â€œProperty, Equipment, and Capitalized Software, Netâ€), and intangible assets resulting from acquisitions. Long-lived assets are subject to impairment tests when events or circumstances indicate that the assetâ€™s (or asset groupâ€™s) carrying value may not be recoverable. Finite-lived, separately-identified intangible assets acquired in business combinations are assets that represent future expected benefits but lack physical substance (such as purchased contract rights and provider contracts). Intangible assets are initially recorded at fair value and are then amortized on a straight-line basis over their expected useful lives, generally between five and 16 years.Determining the useful life of an intangible asset also requires judgment, as different types of intangible assets will have different useful lives. The most significant intangible asset we typically record in a business combination is contract rights associated with membership acquired. In determining the estimated fair value of the intangible assets, we typically apply the income approach, which discounts the projected future net cash flows using an appropriate discount rate that reflects the risk associated with such projected future cash flows. The most critical assumptions used in determining the fair value of contract rights include forecasted operating margins and the weighted average cost of capital.Our intangible assets are subject to impairment tests when events or circumstances indicate that a finite-lived intangible assetâ€™s (or asset groupâ€™s) carrying value may not be recoverable. Consideration is given to a number of potential impairment indicators, including the ability of our health plan subsidiaries to obtain the renewal by amendment of their contracts in each state prior to the actual expiration of their contracts. However, there can be no assurance that these contracts will continue to be renewed. Following the identification of any potential impairment indicators, to determine whether an impairment exists, we would compare the carrying amount of a finite-lived intangible asset with the greater of the undiscounted cash flows that are expected to result from the use of the asset or related group of assets, or its value under the asset liquidation method. If it is determined that the carrying amount of the asset is not recoverable, the amount by which the carrying value exceeds the estimated fair value is recorded as an impairment. Determining the fair value of separately identifiable intangible assets requires management to make estimates, which are based on all available information and in some cases assumptions with respect to the timing and amount of future revenues and expenses associated with an asset. Refer to Note 9, â€œGoodwill and Intangible Assets, Net,â€ for further details.GoodwillGoodwill represents the excess of the purchase consideration over the fair value of net assets acquired in business combinations. Goodwill is not amortized but is tested for impairment on an annual basis and more frequently if impairment indicators are present. Impairment indicators may include experienced or expected operating cash-flow deterioration or losses, significant losses of membership, loss of state funding, loss of state contracts, and other factors. Goodwill is impaired if the carrying amount of a reporting unit exceeds its estimated fair value. This excess is recorded as an impairment loss and adjusted if necessary for the impact of tax-deductible goodwill. The loss recognized may not exceed the total goodwill allocated to the reporting unit. When testing goodwill for impairment, we may first assess qualitative factors, such as industry and market factors, the dynamic economic and political environments in which we operate, cost factors, and changes in overall performance, to determine if it is more likely than not that the carrying value of our reporting units exceed their estimated fair values. If our qualitative assessment indicates that it is more likely than not that the carrying value of a reporting unit exceeds its estimated fair value, we perform the quantitative assessment. We may also elect to bypass the qualitative assessment and proceed directly to the quantitative assessment. We performed a qualitative goodwill assessment of our reporting units in the fourth quarter of 2024, and did not identify any factors indicating that the carrying value of our reporting units exceeded their estimated fair values. If performing a quantitative assessment, we generally estimate the fair values of our reporting units by applying the income approach, using discounted cash flows. The base year in the reporting unitsâ€™ discounted cash flows is derived from the annual financial planning cycle, which commences in the fourth quarter of the year. As part of a quantitative assessment, we may also apply the asset liquidation method to estimate the fair value of individual reporting units, which is computed as total assets minus total liabilities, excluding intangible assets and deferred taxes. Finally, we apply a market approach to reconcile the value of our reporting units to our consolidated market value. Under the market approach, we consider publicly-traded comparable company information to determine revenue and earnings multiples which are used to estimate our reporting unitsâ€™ fair values. The assumptions used are consistent with those used in our long-range business plan and annual planning process. However, if these assumptions differ from actual results, the outcome of our goodwill impairment tests could be adversely affected.Molina Healthcare, Inc. 2024 Form 10-K | 62LeasesRight-of-use (â€œROUâ€) assets represent our right to use the underlying assets over the lease term, and lease liabilities represent our obligation for lease payments arising from the related leases. ROU assets and lease liabilities are recognized at the lease commencement date based on the present value of lease payments over the lease term. Lease terms may include options to extend or terminate the lease when we believe it is reasonably certain that we will exercise such options. If applicable, we account for lease and non-lease components within a lease as a single lease component.Because most of our leases do not provide an implicit interest rate, we generally use our incremental borrowing rate to determine the present value of lease payments. Lease expenses for operating lease payments are recognized on a straight-line basis over the lease term, and the related ROU assets and liabilities are reduced to the present value of the remaining lease payments at the end of each period. Finance lease payments reduce finance lease liabilities, the related ROU assets are amortized on a straight-line basis over the lease term, and interest expense is recognized using the effective interest method.The significant majority of our operating leases consist of long-term operating leases for office space. Short-term leases (those with terms of 12 months or less) are not recorded as ROU assets or liabilities in the consolidated balance sheets. For certain leases that represent a portfolio of similar assets, such as a fleet of vehicles, we apply a portfolio approach to account for the related ROU assets and liabilities, rather than account for such assets and the related liabilities individually. A nominal number of our lease agreements include rental payments that adjust periodically for inflation. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. Refer to Note 8, â€œLeases,â€ for further details.Medical Claims and Benefits PayableMedical care costs are recognized in the period in which services are provided and include fee-for-service claims, pharmacy benefits, capitation payments to providers, and various other medically-related costs. Under fee-for-service claims arrangements with providers, we retain the financial responsibility for medical care provided and incur costs based on actual utilization of hospital and physician services. Such medical care costs include amounts paid by us as well as estimated medical claims and benefits payable for costs that were incurred but not paid as of the reporting date (â€œIBNPâ€). Pharmacy benefits represent payments for members' prescription drug costs, net of rebates from drug manufacturers. We estimate pharmacy rebates based on historical and current utilization of prescription drugs and contractual provisions. Capitation payments represent monthly contractual fees paid to providers, who are responsible for providing medical care to members, which could include medical or ancillary costs like dental, vision and other supplemental health benefits. Such capitation costs are fixed in advance of the periods covered and are not subject to significant accounting estimates. Other medical care costs include all medically-related administrative costs, amounts due to providers pursuant to risk-sharing or other incentive arrangements, provider claims, claim overpayment recoveries, and other healthcare expenses. Examples of medically-related administrative costs include expenses relating to health education, quality assurance, case management, care coordination, disease management, and 24-hour on-call nurses. Additionally, we include an estimate for the cost of settling claims incurred through the reporting date in our medical claims and benefits payable liability. Medical claims and benefits payable consist mainly of fee-for-service IBNP, unpaid pharmacy claims, capitation costs, other medical costs, including amounts payable to providers pursuant to risk-sharing or other incentive arrangements, and amounts payable to providers on behalf of certain state agencies for certain state assessments in which we assume no financial risk. 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. When more complete claims payment information and healthcare cost trend data becomes available, we reflect changes in these estimates as an increase or decrease to medical care costs in the consolidated results of operations in the period in which they are determined. The estimation of the IBNP liability requires a significant degree of judgment in applying actuarial methods, determining the appropriate assumptions and considering numerous factors. Of those factors, we consider estimated completion factors and the assumed healthcare cost trend to be the most critical assumptions. Other relevant factors also include, but are not limited to, healthcare service utilization trends, claim inventory levels, changes in membership, product mix, seasonality, benefit changes or changes in Medicaid fee schedules, provider contract changes, prior authorizations and the incidence of catastrophic or pandemic cases.Because of the significant degree of judgment involved in estimation of our IBNP liability, there is considerable variability and uncertainty inherent in such estimates. Each reporting period, the recognized IBNP liability represents our best estimate of the total amount of unpaid claims incurred as of the balance sheet date using a consistent Molina Healthcare, Inc. 2024 Form 10-K | 63methodology in estimating our IBNP liability, including a provision for moderately adverse conditions for each current period. We believe our current estimates are reasonable and adequate; however, the development of our estimate is a continuous process that we monitor and update as more complete claims payment information and healthcare cost trend data becomes available. Actual medical care costs may be less than we previously estimated (favorable development) or more than we previously estimated (unfavorable development), and any differences could be material. Any adjustments to reflect favorable development would be recognized as a decrease to medical care costs, and any adjustments to reflect unfavorable development would be recognized as an increase to medical care costs, in the period in which the adjustments are determined. Refer to Note 10, â€œMedical Claims and Benefits Payable,â€ for a table presenting the components of the change in our medical claims and benefits payable, for all periods presented in the accompanying consolidated financial statements.Premium Revenue Recognition and Amounts Due Government AgenciesPremium 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 (â€œPMPMâ€) 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. 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 â€œAmounts due government agenciesâ€ 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 further discussed below.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 (â€œMinimum MLRâ€). 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 $1,006Â million and $1,344Â million at December 31, 2024 and 2023, respectively, to amounts due government agencies.The Affordable Care Act (â€œACAâ€) 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 $32Â million and $64Â million at December 31, 2024 and 2023, respectively, to amounts due government agencies.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 $30 million and $2 million at December 31, 2024 and 2023, respectively, to amounts due government agencies.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 membersâ€™ risk scores and the related amount of Medicare revenue that will ultimately be realized for the periods presented based on our knowledge of our membersâ€™ 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 $115Â million and $66Â million at December 31, 2024 and 2023, respectively, to amounts due government agencies. Under this program for our Marketplace business, our health plansâ€™ 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 Molina Healthcare, Inc. 2024 Form 10-K | 64average 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 DecemberÂ 31, 2024, Marketplace risk adjustment payables amounted to $290 million and related receivables amounted to $192 million, for a net payable of $98 million. As of December 31, 2023, Marketplace risk adjustment payables amounted to $201 million and related receivables amounted to $241 million, for a net receivable of $40 million. Marketplace risk adjustment receivables at December 31, 2023 are net of a $41Â million credit loss allowance recognized in the third quarter of 2023 on 2022 Marketplace risk adjustment receivables due to the insolvency of an issuer in the Texas risk pool. This charge is included in other operating expenses in the accompanying consolidated statements of income. Other Premium Adjustments. State Medicaid programs periodically adjust premium revenues on a retroactive basis for rate changes and changes in membership and eligibility data. In certain states, adjustments are made based on the health status of our members (as measured through a risk score). In these cases, we adjust our premium revenue in the period in which we determine that the adjustment is probable and reasonably estimable, based on our best estimate of the ultimate premium we expect to realize for the period being adjusted. Quality IncentivesAt many of our health plans, revenue ranging from approximately 1% to 4% of certain health plan premiums is earned only if certain performance measures are met. Such performance measures are generally found in our Medicaid and MMP contracts. Quality incentive premium revenue is recognized when it is earned under such provisions. ReinsuranceWe bear underwriting and reserving risks associated with our health plan subsidiaries. In certain cases, we limit our risk of significant catastrophic losses by maintaining high deductible reinsurance coverage with a highly-rated, unaffiliated insurance company (the â€œthird-party reinsurerâ€). Because we remain liable for losses in the event the third-party reinsurer is unable to pay its portion of the losses, we continually monitor the third-party reinsurerâ€™s financial condition, including its ability to maintain high credit ratings.We report reinsurance premiums as a reduction to premium revenue, while related reinsurance recoveries are reported as a reduction to medical care costs. In certain cases, we participate in state-run reinsurance programs for which no reinsurance premium is paid. Reinsurance premiums amounted to $8 million, $11 million, and $2 million for the years ended DecemberÂ 31, 2024, 2023, and 2022, respectively. Reinsurance recoveries amounted to $20 million, $21 million, and $35 million for the years ended December 31, 2024, 2023, and 2022, respectively. Reinsurance recoverable of $21 million, and $28 million, as of December 31, 2024, and 2023, respectively, is included in â€œReceivablesâ€ in the accompanying consolidated balance sheets.Premium Deficiency Reserves on Loss ContractsWe 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 (â€œPDRâ€) is recognized if anticipated future medical care and administrative costs exceed anticipated future premium revenue, investment income and reinsurance recoveries.Income TaxesWe account for income taxes under the asset and liability method. Deferred tax assets and liabilities are determined based on the difference between the financial statement and tax bases of assets and liabilities using enacted tax rates expected to be in effect during the year in which the basis differences reverse. Valuation allowances are established when management determines it is more likely than not that some portion, or all, of the deferred tax assets will not be realized. For further discussion and disclosure, see Note 12, â€œIncome Taxes.â€Taxes Based on PremiumsPremium and Use Tax. Certain of our health plans are assessed a tax based on premium revenue collected. The premium revenues we receive from these states include reimbursement for the premium tax assessment. We have reported these taxes on a gross basis, as premium tax revenue and as premium tax expenses in the consolidated statements of income. Molina Healthcare, Inc. 2024 Form 10-K | 65Concentrations of Credit RiskFinancial 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. Risks and UncertaintiesOur profitability depends in large part on our ability to accurately predict and effectively manage medical care costs. We continually review our medical costs in light of our underlying claims experience and revised actuarial data. However, several factors could adversely affect medical care costs. These factors, which include changes in healthcare practices, inflation, new technologies, major epidemics, natural disasters, and malpractice litigation, are beyond our control and may have an adverse effect on our ability to accurately predict and effectively control medical care costs. Costs in excess of those anticipated could have a material adverse effect on our financial condition, results of operations, or cash flows.We operate health plans primarily as a direct contractor with the states, and in Los Angeles County, California, as a subcontractor to another health plan holding a direct contract with the state. We are therefore dependent upon a relatively small number of contracts to support our revenue. The loss of any one of those contracts could have a material adverse effect on our financial position, results of operations, or cash flows. In addition, our ability to arrange for the provision of medical services to our members is dependent upon our ability to develop and maintain adequate provider networks. Our inability to develop or maintain such networks might, in certain circumstances, have a material adverse effect on our financial position, results of operations, or cash flows.Significant CustomersWe receive the majority of our revenues under contracts or subcontracts with state Medicaid managed care programs, which are considered individual external customers. Instances where these contracts were at least 10% of our total premium revenue for the year ended December 31, 2024 were California with 10.7%, Texas with 10.7%, and Washington with 10.4%.Recent Accounting Pronouncements In November 2023, the Financial Accounting Standards Board (â€œFASBâ€) issued Accounting Standards Update (â€œASUâ€) 2023-07, Improvements to Reportable Segment Disclosures, which requires disclosure of incremental segment information on an annual and interim basis for all public entities. The amendments do not change how a public entity identifies its operating segments, aggregates those operating segments, or applies the quantitative thresholds to determine its reportable segments. ASU 2023-07 is effective for annual reporting beginning with the fiscal year ending December 31, 2024, and for interim periods thereafter. We have adopted this ASU, with the incremental disclosures presented in Note 16, â€œSegmentsâ€. In December 2023, the FASB issued ASU 2023-09, Improvements to Income Tax Disclosures, which will require incremental income tax disclosures on an annual basis for all public entities. The amendments require that public business entities disclose specific categories in the rate reconciliation and provide additional information for reconciling items meeting a quantitative threshold. The amendments also require disclosure of income taxes paid to be disaggregated by jurisdiction, and disclosure of income tax expense disaggregated by federal, state, and foreign. ASU 2023-09 is effective for annual reporting beginning with the fiscal year ending December 31, 2025. We are currently evaluating the incremental disclosures that will be required in our consolidated financial statements.In November 2024, the FASB issued ASU 2024-03, Disaggregation of Income Statement Expenses, which will require disclosure of additional information about specific expense categories in the notes to financial statements for all public business entities. ASU 2024-03 is effective for annual reporting beginning with the fiscal year ending December 31, 2027, and for interim periods thereafter. Early adoption is permitted. We are currently evaluating the incremental disclosures that will be required in the footnotes to our consolidated financial statements.Other recent accounting pronouncements issued by the FASB (including its Emerging Issues Task Force), the American Institute of Certified Public Accountants, and the Securities and Exchange Commission (â€œSECâ€) did not Molina Healthcare, Inc. 2024 Form 10-K | 66have, 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:Year Ended DecemberÂ 31,202420232022(In millions, except net income per share)Numerator:Net income$1,179Â $1,091Â $792Â Denominator:Shares outstanding at the beginning of the period57.8Â 57.4Â 57.9Â Weighted-average number of shares issued:Stock purchases(0.6)â€”Â (0.5)Stock-based compensation0.2Â 0.3Â 0.4Â Denominator for basic net income per share57.4Â 57.7Â 57.8Â Effect of dilutive securities: (1)Stock-based compensation0.3Â 0.4Â 0.7Â Denominator for diluted net income per share57.7Â 58.1Â 58.5Â Net income per share - Basic (2)$20.52Â $18.91Â $13.72Â Net income per share - Diluted (2)$20.42Â $18.77Â $13.55Â ______________________________Â (1)Â Â Â Â 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 have been anti-dilutive. For the year ended December 31, 2024,108,000 shares were excluded from diluted shares outstanding. (2)Â Â Â Â Source data for calculations in thousands. 4. Business Combinations Bright Health Medicare. On January 1, 2024, we closed on our acquisition of 100% of the issued and outstanding capital stock of Brand New Day and Central Health Plan of California (â€œBright Health Medicareâ€) for $441Â million in cash, consistent with our strategy to grow in our existing markets. For this transaction, we applied the acquisition method of accounting, where the total purchase price was 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 $1Â million in the aggregate for the year ended December 31, 2024, and were recorded as â€œGeneral and administrative expensesâ€ in the accompanying consolidated statements of income.The acquisition-date fair value of the consideration transferred consisted of the following, in millions: Fair value of consideration transferred:Cash$341Â Contingent consideration86Â Total$427Â The contingent consideration arrangement allowed the seller to earn up to $100Â million for the satisfaction of certain conditions within the stock purchase agreement by the fourth quarter of 2024. The fair value of the contingent consideration arrangement at the acquisition date was $86Â million. This fair value measurement was based on inputs not observable in the market and thus represented a Level 3 measurement. We estimated the fair value Molina Healthcare, Inc. 2024 Form 10-K | 67using a probability-weighted scenario approach focused on existing and expected membership. On the acquisition date, we placed the $100Â million into a third-party escrow and recorded a receivable of $14Â million in relation to the fair value measurement. As of December 31, 2024, the fair value of the contingent consideration arrangement increased to $100Â million due to the conditions being met. The net change in fair value is reported in â€œOtherâ€ operating expenses in our consolidated statements of income.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. All of the goodwill was assigned to the Medicare segment and is deductible for income tax purposes. The following table summarizes the fair values assigned to assets acquired and liabilities assumed, in millions. Assets acquired: Current assets$335Â Goodwill430Â Intangible assets141Â Other long-term assets53Â Liabilities assumed: Medical claims and benefits payable(476)Amounts due government agencies(33)Accounts payable, accrued and other long-term liabilities(23)Fair value of net assets acquired$427Â The table below presents intangible assets acquired, by major class, for the Bright Health Medicare acquisition. The weighted-average amortization period, in the aggregate, is 11.1 years. Fair ValueLifeÂ (In millions)(Years)Contract rights - member list$104Â 10Trade Name32Â 15Provider network5Â 10$141Â My Choice. On September 1, 2023, we closed on our acquisition of My Choice Wisconsin for preliminary purchase consideration of approximately $74Â million. In August 2024, we paid additional purchase consideration of $49Â million as a result of final purchase price adjustments as provided in the asset purchase agreement. We recorded various measurement period adjustments that were insignificant. These measurement period adjustments and purchase price adjustments have been finalized.Subsequent Events. Effective February 1, 2025, we closed on our acquisition of 100% of the issued and outstanding capital stock of ConnectiCare Holding Company, Inc. The purchase price for the transaction was $350Â million. Due to the recency of the transaction, the initial accounting is incomplete.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 a three-tier fair value hierarchy as follows:Level 1 â€” Observable Inputs. Level 1 financial instruments are actively traded and therefore the fair value for these securities is based on quoted market prices for identical securities in active markets.Molina Healthcare, Inc. 2024 Form 10-K | 68Level 2 â€” Directly or Indirectly Observable Inputs. Fair value for these investments is determined using a market approach based on quoted prices for similar securities in active markets or quoted prices for identical securities in inactive markets. Level 3 â€” Unobservable Inputs. Level 3 financial instruments are valued using unobservable inputs that represent managementâ€™s best estimate of what market participants would use in pricing the financial instrument at the measurement date. Our financial instruments measured at fair value on a recurring basis at DecemberÂ 31, 2024, were as follows:TotalLevel 1Level 2Level 3Â (In millions)Corporate debt securities$2,744Â $â€”Â $2,744Â $â€”Â Mortgage-backed securities914Â â€”Â 914Â â€”Â Asset-backed securities431Â â€”Â 431Â â€”Â Municipal securities183Â â€”Â 183Â â€”Â U.S. Treasury notes5Â â€”Â 5Â â€”Â Other48Â â€”Â 48Â â€”Â Total assets$4,325Â $â€”Â $4,325Â $â€”Â Our financial instruments measured at fair value on a recurring basis at DecemberÂ 31, 2023, were as follows:TotalLevel 1Level 2Level 3Â (In millions)Corporate debt securities$2,732Â $â€”Â $2,732Â $â€”Â Mortgage-backed securities911Â â€”Â 911Â â€”Â Asset-backed securities365Â â€”Â 365Â â€”Â Municipal securities166Â â€”Â 166Â â€”Â U.S. Treasury notes40Â â€”Â 40Â â€”Â Other45Â â€”Â 45Â â€”Â Total assets$4,259Â $â€”Â $4,259Â $â€”Â Fair Value Measurements â€“ Disclosure OnlyThe 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.Â December 31, 2024December 31, 2023Â CarryingAmountFair Value CarryingAmountFair Value Â (In millions)4.375% Notes due 2028$795Â $759Â $794Â $757Â 3.875% Notes due 2030645Â 578Â 644Â 583Â 3.875% Notes due 2032743Â 648Â 742Â 654Â 6.250% Notes due 2033740Â 741Â â€”Â â€”Â Total$2,923Â $2,726Â $2,180Â $1,994Â Molina Healthcare, Inc. 2024 Form 10-K | 696. Investments Available-for-SaleWe 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:December 31, 2024AmortizedCostGrossUnrealizedEstimatedFair ValueGainsLosses(In millions)Corporate debt securities$2,769Â $10Â $35Â $2,744Â Mortgage-backed securities953Â 2Â 41Â 914Â Asset-backed securities435Â 2Â 6Â 431Â Municipal securities188Â â€”Â 5Â 183Â U.S. Treasury notes5Â â€”Â â€”Â 5Â Other50Â â€”Â 2Â 48Â Total$4,400Â $14Â $89Â $4,325Â December 31, 2023AmortizedCostGrossUnrealizedEstimatedFair ValueGainsLosses(In millions)Corporate debt securities$2,781Â $16Â $65Â $2,732Â Mortgage-backed securities951Â 4Â 44Â 911Â Asset-backed securities376Â 1Â 12Â 365Â Municipal securities172Â â€”Â 6Â 166Â U.S. Treasury notes40Â â€”Â â€”Â 40Â Other47Â â€”Â 2Â 45Â Total$4,367Â $21Â $129Â $4,259Â Expected maturities may differ from contractual maturities because borrowers may have the right to call or prepay obligations with or without call or prepayment penalties. The contractual maturities of our current investments as of DecemberÂ 31, 2024 are summarized below:AmortizedCostEstimatedFair Value(In millions)Due in one year or less$570Â $567Â Due after one year through five years2,224Â 2,202Â Due after five years through ten years500Â 494Â Due after ten years1,106Â 1,062Â Total$4,400Â $4,325Â In the years ended December 31, 2024, 2023, and 2022, maturities and redemptions of available-for-sale securities amounted to $1,012 million, $513Â million, and $1,069 million, respectively, and sales amounted to $99Â million, $259Â million, and $329Â 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 amounted to $2 million, $1 million and $1Â million in the years ended DecemberÂ 31, 2024, 2023 and 2022, respectively, and were reclassified into earnings from other comprehensive income on a net-of-tax basis. Gross realized investment losses amounted to $3Â million, $11 million and $7Â million in the years ended December 31, 2024, 2023 and 2022, respectively, and were reclassified into earnings from other comprehensive income on a net-of-tax basis. Molina Healthcare, Inc. 2024 Form 10-K | 70We have determined that unrealized losses at DecemberÂ 31, 2024, 2023 and 2022 primarily resulted from fluctuating interest rates, rather than a deterioration of the creditworthiness of the issuers. Further, as of DecemberÂ 31, 2024, 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 DecemberÂ 31, 2024:InÂ aÂ ContinuousÂ Loss PositionforÂ LessÂ thanÂ 12Â MonthsInÂ aÂ ContinuousÂ Loss PositionforÂ 12Â Months or MoreEstimatedFairValueUnrealizedLossesTotal Number of PositionsEstimatedFairValueUnrealizedLossesTotal Number of PositionsÂ (Dollars in millions)Corporate debt securities$811Â $10Â 541Â $935Â $25Â 449Â Mortgage-backed securities271Â 5Â 197Â 406Â 36Â 244Â Asset-backed securities84Â 1Â 48Â 143Â 5Â 73Â Municipal securities38Â 1Â 27Â 95Â 4Â 89Â Otherâ€”Â â€”Â â€”Â 15Â 2Â 16Â Total$1,204Â $17Â 813Â $1,594Â $72Â 871Â 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 DecemberÂ 31, 2023:InÂ aÂ ContinuousÂ Loss PositionforÂ LessÂ thanÂ 12Â MonthsInÂ aÂ ContinuousÂ Loss PositionforÂ 12Â Months or MoreEstimatedFairValueUnrealizedLossesTotal Number of PositionsEstimatedFairValueUnrealizedLossesTotal Number of PositionsÂ (Dollars in millions)Corporate debt securities$263Â $1Â 160Â $1,553Â $64Â 754Â Mortgage-backed securities123Â 2Â 98Â 549Â 42Â 283Â Asset-backed securitiesâ€”Â â€”Â â€”Â 195Â 12Â 91Â Municipal securitiesâ€”Â â€”Â â€”Â 117Â 6Â 116Â Otherâ€”Â â€”Â â€”Â 17Â 2Â 17Â Total$386Â $3Â 258Â $2,431Â $126Â 1,261Â Restricted Investments Held-to-MaturityPursuant 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 â€œRestricted investmentsâ€ in the accompanying consolidated balance sheets. We have the intent and ability to hold these restricted investments until maturity, and as a result, we expect to collect the contractual cash flows associated with these investments and do not recognize interim fluctuations in fair value. Accordingly, our held-to-maturity restricted investments are carried at amortized cost, which approximates fair value, of which $139 million will mature in one year or less, $142 million will mature in one through five years, and $5 million will mature after five years. Molina Healthcare, Inc. 2024 Form 10-K | 71The following table presents the balances of restricted investments:DecemberÂ 31,20242023(In millions)Cash and cash equivalents$79Â $60Â U.S. Treasury notes191Â 167Â Corporate debt and other securities16Â 34Â Total restricted investments$286Â $261Â 7.Â Property, Equipment, and Capitalized Software, Net Property and equipment are stated at historical cost. Replacements and major improvements are capitalized, and repairs and maintenance are charged to expense as incurred. Software developed for internal use is capitalized. Property and equipment are generally depreciated using the straight-line method over estimated useful lives ranging from three to seven years. Software is generally amortized over its estimated useful life of three years. Leasehold improvements are amortized over the term of the lease, or over their useful lives from five to 10 years, whichever is shorter. Buildings are depreciated over their estimated useful lives of 31.5 to 40 years.The Company recognized an impairment on property and equipment of $16Â million associated with our reduction in leased space used in our business operations in the year ended December 31, 2022. A summary of property, equipment, and capitalized software is as follows:Â DecemberÂ 31,Â 20242023Â (In millions)Capitalized software$788Â $687Â Property and equipment205Â 199Â Building and improvements35Â 41Â Land1Â 5Â Total cost1,029Â 932Â Less: accumulated amortization - capitalized software(612)(537)Less: accumulated depreciation and amortization - property, equipment, building, and improvements(194)(192)Total accumulated depreciation and amortization(806)(729)ROU assets - finance leases65Â 67Â Property, equipment, and capitalized software, net$288Â $270Â The following table presents all depreciation and amortization recognized in our consolidated statements of income:Year Ended DecemberÂ 31,202420232022(In millions)Amortization of intangible assets$82Â $85Â $77Â Amortization of capitalized software69Â 58Â 54Â Amortization of finance leases19Â 18Â 28Â Depreciation and amortization of property, equipment, building, and improvements16Â 10Â 17Â Total depreciation and amortization$186Â $171Â $176Â Molina Healthcare, Inc. 2024 Form 10-K | 728.Â Leases We are a party to operating and finance leases primarily for our corporate and health plan offices. Our operating leases have remaining lease terms up to 11 years, some of which include options to extend the leases for up to 10 years. As of DecemberÂ 31, 2024, the weighted average remaining operating lease term is 8 years.Our finance leases have remaining lease terms up to 14 years, some of which include options to extend the leases for up to 25 years. As of DecemberÂ 31, 2024, the weighted average remaining finance lease term is 11 years.In the year ended December 31, 2022, the Company recognized $192Â million of ROU asset impairments associated with our reduction in leased space used in our business operations to accommodate our move to a remote work environment.As of DecemberÂ 31, 2024, the weighted-average discount rate used to compute the present value of lease payments was 5.0% for operating lease liabilities, and 6.5% for finance lease liabilities. The components of lease expense for the years ended DecemberÂ 31, 2024, 2023, and 2022 are presented in the following table.Year Ended December 31,202420232022(In millions)Operating lease expense$14Â $15Â $31Â Finance lease expense: Amortization of ROU assets$19Â $18Â $28Â Interest on lease liabilities15Â 15Â 15Â Total finance lease expense$34Â $33Â $43Â Supplemental consolidated cash flow information related to leases follows:Year Ended December 31,202420232022(In millions)Cash used in operating activities:Operating leases$24Â $28Â $31Â Finance leases15Â 15Â 15Â Cash used in financing activities: Finance leases24Â 24Â 15Â ROU assets recognized in exchange for lease obligations:Operating leases5Â 12Â 10Â Finance leases17Â 13Â 18Â Molina Healthcare, Inc. 2024 Form 10-K | 73Supplemental information related to leases, including location of amounts reported in the accompanying consolidated balance sheets, follows:DecemberÂ 31,20242023(In millions)Operating leases:ROU assetsOther assets$35Â $43Â Lease liabilitiesAccounts payable and accrued liabilities (current)$15Â $20Â Other long-term liabilities (non-current)68Â 85Â Total operating lease liabilities$83Â $105Â Finance leases:ROU assetsProperty, equipment, and capitalized software, net$65Â $67Â Lease liabilitiesAccounts payable and accrued liabilities (current)$23Â $21Â Finance lease liabilities (non-current)195Â 205Â Total finance lease liabilities$218Â $226Â Maturities of lease liabilities as of DecemberÂ 31, 2024, were as follows:Operating FinanceLeasesLeases(In millions)2025$19Â $36Â 202613Â 32Â 202711Â 27Â 20289Â 25Â 20298Â 25Â Thereafter42Â 169Â Subtotal - undiscounted lease payments102Â 314Â Less imputed interest(19)(96)Total$83Â $218Â 9.Â Goodwill and Intangible Assets, Net GoodwillThe following table presents the changes in the carrying amounts of goodwill by segment, for the periods presented.MedicaidMedicareOtherConsolidated(In millions)Balance, December 31, 2022$899Â $172Â $44Â $1,115Â Acquisitions and measurement period adjustments95Â 31Â â€”Â 126Â Balance, December 31, 2023994Â 203Â 44Â 1,241Â Acquisitions and measurement period adjustmentsâ€”Â 430Â â€”Â 430Â Balance, December 31, 2024$994Â $633Â $44Â $1,671Â The changes in the carrying amounts of both goodwill and intangible assets, net, in 2024, were due to the Molina Healthcare, Inc. 2024 Form 10-K | 74acquisitions described in Note 4, â€œBusiness Combinations.â€ Intangible Assets, NetThe following table provides the details of identified intangible assets, by major class, for the periods presented.December 31, 2024December 31, 2023CostAccumulatedAmortizationCarrying Amount CostAccumulatedAmortizationCarrying Amount Â (In millions)Contract rights and licenses$624Â $429Â $195Â $520Â $357Â $163Â Provider networks64Â 34Â 30Â 59Â 29Â 30Â Trade names54Â 12Â 42Â 22Â 7Â 15Â Total$742Â $475Â $267Â $601Â $393Â $208Â As of DecemberÂ 31, 2024, we estimate that our intangible asset amortization will be approximately $80 million in 2025, $40 million in 2026, $29 million in 2027, and $21 million in 2028 and 2029. 10.Â Medical Claims and Benefits Payable The following table provides the details of our medical claims and benefits payable as of the dates indicated.December 31,202420232022(In millions)Fee-for-service claims incurred but not paid (â€œIBNPâ€)$3,085Â $2,901Â $2,597Â Pharmacy payable249Â 202Â 206Â Capitation payable182Â 100Â 94Â Other1,124Â 1,001Â 631Â Total$4,640Â $4,204Â $3,528Â â€œOtherâ€ medical claims and benefits payable mainly includes provider incentives and amounts payable to certain providers for which we act as an intermediary on behalf of various government agencies, including arrangements where we are not assuming financial risk. The receipts and payments related to non-risk arrangements do not impact our consolidated statements of income. The following tables present the components of the change in our medical claims and benefits payable for the periods indicated. Year Ended December 31, 2024Medicaid Medicare MarketplaceConsolidatedÂ (In millions)Medical claims and benefits payable, beginning balance$3,444Â $532Â $228Â $4,204Â Components of medical care costs related to:Current year28,211Â 5,000Â 1,892Â 35,103Â Prior years(611)(61)(3)(675)Total medical care costs27,600Â 4,939Â 1,889Â 34,428Â Payments for medical care costs related to:Current year24,950Â 4,464Â 1,646Â 31,060Â Prior years2,258Â 761Â 220Â 3,239Â Total paid27,208Â 5,225Â 1,866Â 34,299Â Acquired balances, net of post-acquisition adjustmentsâ€”Â 476Â â€”Â 476Â Change in non-risk and other provider payables(169)â€”Â â€”Â (169)Medical claims and benefits payable, ending balance$3,667Â $722Â $251Â $4,640Â Molina Healthcare, Inc. 2024 Form 10-K | 75Year Ended December 31, 2023Medicaid Medicare MarketplaceConsolidatedÂ (In millions)Medical claims and benefits payable, beginning balance$2,815Â $452Â $261Â $3,528Â Components of medical care costs related to:Current year23,749Â 3,802Â 1,545Â 29,096Â Prior years(395)(11)(21)(427)Total medical care costs23,354Â 3,791Â 1,524Â 28,669Â Payments for medical care costs related to:Current year20,999Â 3,293Â 1,323Â 25,615Â Prior years2,069Â 431Â 234Â 2,734Â Total paid23,068Â 3,724Â 1,557Â 28,349Â Acquired balances, net of post-acquisition adjustments82Â 14Â â€”Â 96Â Change in non-risk and other provider payables261Â (1)â€”Â 260Â Medical claims and benefits payable, ending balance$3,444Â $532Â $228Â $4,204Â Year Ended December 31, 2022Medicaid Medicare MarketplaceConsolidatedÂ (In millions)Medical claims and benefits payable, beginning balance$2,580Â $404Â $379Â $3,363Â Components of medical care costs related to:Current year22,097Â 3,390Â 1,972Â 27,459Â Prior years(251)(32)(1)(284)Total medical care costs21,846Â 3,358Â 1,971Â 27,175Â Payments for medical care costs related to:Current year19,655Â 2,944Â 1,746Â 24,345Â Prior years1,966Â 361Â 343Â 2,670Â Total paid21,621Â 3,305Â 2,089Â 27,015Â Acquired balances, net of post-acquisition adjustments12Â â€”Â â€”Â 12Â Change in non-risk and other provider payables(2)(5)â€”Â (7)Medical claims and benefits payable, ending balance$2,815Â $452Â $261Â $3,528Â The amounts presented for â€œComponents of medical care costs related to: Prior yearsâ€ 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.Our estimates of medical claims and benefits payable recorded at December 31, 2023, 2022 and 2021 developed favorably by approximately $675Â million, $427Â million and $284Â million in 2024, 2023 and 2022, respectively. The favorable prior year development recognized in 2024 was primarily due to lower than expected utilization of medical services by our members and improved operating performance, including claim payment recoveries related to prior year dates of service, mainly in the Medicaid segment. Consequently, the ultimate costs recognized in 2024, as claims payments were processed, were lower than our estimates in 2023. The favorable prior year development recognized in 2023 was primarily due to lower than expected utilization of medical services by our members and improved operating performance, including claim payment recoveries related to prior year dates of service, mainly in the Medicaid segment. Consequently, the ultimate costs recognized in

2023, as claims payments were processed, were lower than our estimates in 2022. The favorable prior year development recognized in 2022 was primarily due to lower than expected utilization of medical services by our members and improved operating performance, including claim payment recoveries related to prior year dates of service, mainly in the Medicaid segment. Consequently, the ultimate costs recognized in 2022, as claims payments were processed, were lower than our estimates in 2021, which was not discernible until additional information was provided, and as claims payments were processed. Molina Healthcare, Inc. 2024 Form 10-K | 76The following tables provide information about our consolidated incurred and paid claims development as of DecemberÂ 31, 2024, as well as cumulative claims frequency and the total of incurred but not paid claims liabilities. The pattern of incurred and paid claims development is consistent across each of our segments. The cumulative claim frequency is measured by claim event, and includes claims covered under capitated arrangements.Incurred Claims and Allocated Claims Adjustment ExpensesTotal IBNPCumulative number of reported claimsBenefit Year202220232024(Unaudited)(Unaudited)(In millions)2022$27,459Â $27,128Â $27,036Â $13Â 148Â 202329,192Â 28,634Â 52Â 157Â 202435,103Â 3,018Â 158Â $90,773Â $3,083Â Cumulative Paid Claims and Allocated Claims Adjustment ExpensesBenefit Year202220232024(Unaudited)(Unaudited)(In millions)2022$24,345Â $27,051Â $27,023Â 202325,615Â 28,887Â 202431,060Â $86,970Â The following table represents a reconciliation of claims development to the aggregate carrying amount of the liability for medical claims and benefits payable.2024(In millions)Incurred claims and allocated claims adjustment expenses$90,773Â Less: cumulative paid claims and allocated claims adjustment expenses(86,970)All outstanding liabilities before 20222Â Acquired balances476Â Non-risk and other provider payables359Â Medical claims and benefits payable $4,640Â 11. Debt Contractual maturities of debt, as of DecemberÂ 31, 2024, are illustrated in the following table. All amounts represent the principal amounts of the debt instruments outstanding.Total20252026202720282029Thereafter(In millions)4.375% Notes due 2028$800Â $â€”Â $â€”Â $â€”Â $800Â $â€”Â $â€”Â 3.875% Notes due 2030650Â â€”Â â€”Â â€”Â â€”Â â€”Â 650Â 3.875% Notes due 2032750Â â€”Â â€”Â â€”Â â€”Â â€”Â 750Â 6.250% Notes due 2033750Â â€”Â â€”Â â€”Â â€”Â â€”Â 750Â Total$2,950Â $â€”Â $â€”Â $â€”Â $800Â $â€”Â $2,150Â Molina Healthcare, Inc. 2024 Form 10-K | 77The following table summarizes our outstanding debt obligations, all of which are non-current as of the dates reported below:December 31,20242023(In millions)Non-current long-term debt:4.375% Notes due 2028$800Â $800Â 3.875% Notes due 2030650Â 650Â 3.875% Notes due 2032750Â 750Â 6.250% Notes due 2033750Â â€”Â Deferred debt issuance costs(27)(20)Total$2,923Â $2,180Â Credit Agreement On September 20, 2024, we entered into a Second Amendment to our credit agreement (as amended, the â€œCredit Agreementâ€) which includes an increase in available commitments under the revolving credit facility (â€œCredit Facilityâ€) to $1.25 billion, among other provisions. The Credit Agreement has a term of five years, and all amounts outstanding will be due and payable on September 20, 2029. Borrowings under the 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 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 Credit Agreement.The Credit Agreement contains customary non-financial and financial covenants. As of DecemberÂ 31, 2024, we were in compliance with all financial and non-financial covenants under the Credit Agreement. As of DecemberÂ 31, 2024, no amounts were outstanding under the Credit Facility.Senior NotesOur 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 DecemberÂ 31, 2024, 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 â€œ4.375% Notesâ€) outstanding as of DecemberÂ 31, 2024, 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 â€œ3.875% Notes due 2030â€) outstanding as of DecemberÂ 31, 2024, 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 $750Â million aggregate principal amount of senior notes (the â€œ3.875% Notes due 2032â€) outstanding as of DecemberÂ 31, 2024, 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. On November 18, 2024, we completed the private offering of $750 million aggregate principal amount of senior notes (the â€œ6.250% Notes due 2033â€), which are due January 15, 2033, unless earlier redeemed. The 6.250% Notes due 2033 contain optional early redemption provisions, with redemption prices in excess of par. Interest, at a rate of 6.250% per annum, is payable semiannually in arrears on January 15 and July 15 of each year, commencing July 15, 2025. Deferred issuance costs amounted to $10Â million. Molina Healthcare, Inc. 2024 Form 10-K | 7812.Â Income Taxes Income tax expense for continuing operations consisted of the following:Year Ended DecemberÂ 31,202420232022(In millions)Current:Federal$298Â $349Â $297Â State59Â 55Â 40Â Total current357Â 404Â 337Â Deferred:Federal47Â (28)(66)State6Â (3)â€”Â Total deferred53Â (31)(66)Income tax expense$410Â $373Â $271Â A reconciliation of the U.S. federal statutory income tax rate to the combined effective income tax rate for continuing operations is as follows:Year Ended DecemberÂ 31,202420232022Statutory federal tax rate21.0Â %21.0Â %21.0Â %State income provision, net of federal benefit3.2Â 2.8Â 3.0Â Nondeductible compensation1.1Â 1.4Â 1.8Â Other0.5Â 0.3Â (0.3)Effective tax rate25.8Â %25.5Â %25.5Â %Deferred tax assets and liabilities are classified as non-current. Significant components of our deferred tax assets and liabilities as of DecemberÂ 31, 2024 and 2023 were as follows:DecemberÂ 31,20242023(In millions)Accrued expenses and reserve liabilities$99Â $94Â Other accrued medical costs25Â 26Â Net operating losses5Â 7Â Unearned premiums2Â 19Â Lease liabilities79Â 87Â Unrealized losses18Â 26Â Fixed assets and intangibles32Â 24Â Tax credit carryover5Â 5Â Other13Â 6Â Valuation allowance(19)(24)Total deferred income tax assets, net of valuation allowance 259Â 270Â Right-of-use assets(26)(29)Prepaid expenses (26)(14)Total deferred income tax liabilities (52)(43)Net deferred income tax asset$207Â $227Â At DecemberÂ 31, 2024, we had state net operating loss carryforwards of $39Â million, which begin expiring in 2037 with some having an indefinite carryforward period, and foreign net operating loss carryforwards of $6Â million, which Molina Healthcare, Inc. 2024 Form 10-K | 79begin expiring in 2032. Additionally, as of DecemberÂ 31, 2024, we had foreign tax credit carryovers of $5Â million, which expire in 2030.We evaluate the need for a valuation allowance taking into consideration the ability to carry back and carry forward tax credits and losses, available tax planning strategies and future income, including reversal of temporary differences. We have determined that as of DecemberÂ 31, 2024, $19 million of deferred tax assets did not satisfy the recognition criteria. Therefore, we decreased our valuation allowance by $5 million, from $24 million at DecemberÂ 31, 2023, to $19 million as of DecemberÂ 31, 2024.We recognize tax benefits only if the tax position is more likely than not to be sustained. We are subject to income taxes in the United States, Puerto Rico, and numerous state jurisdictions. Significant judgment is required in evaluating our tax positions and determining our provision for income taxes. During the ordinary course of business, there are many transactions and calculations for which the ultimate tax determination is uncertain. We establish reserves for tax-related uncertainties based on estimates of whether, and the extent to which, additional taxes will be due. These reserves are established when we believe that certain positions might be challenged despite our belief that our tax return positions are fully supportable. We adjust these reserves in light of changing facts and circumstances, such as the outcome of tax audits. The provision for income taxes includes the impact of reserve provisions and changes to reserves that are considered appropriate.The roll forward of our unrecognized tax benefits is as follows:Year Ended DecemberÂ 31,202420232022(In millions)Gross unrecognized tax benefits at beginning of period(5)(5)$(15)Lapse in statute of limitationsâ€”Â â€”Â 10Â Gross unrecognized tax benefits at end of period(5)(5)$(5)The total amount of unrecognized tax benefits that, if recognized, would affect the effective tax rates is $5 million at DecemberÂ 31, 2024, 2023 and 2022. We expect that during the next 12 months it is reasonably possible that unrecognized tax benefit liabilities may decrease by $5 million due to resolution of a state refund claim. The state refund claim will not result in a cash payment for income taxes if our claim is denied. Our continuing practice is to recognize interest and/or penalties related to unrecognized tax benefits in income tax expense. Amounts accrued for the payment of interest and penalties as of DecemberÂ 31, 2024, 2023 and 2022 were insignificant.We may be subject to examination by the IRS for calendar years after 2020. With a few exceptions, which are immaterial in the aggregate, we no longer are subject to state, local, and Puerto Rico tax examinations for years before 2019. 13. Stockholders' Equity Stock Purchase ProgramsIn September 2023, our board of directors authorized the purchase of up to $750Â million of our common stock. Under this program, pursuant to a Rule 10b5-1 trading plan, we purchased approximately 1,465,000 shares for $500Â million in the third quarter of 2024 (average cost of $341.25 per share). In October 2024, our board of directors authorized the purchase of up to $1Â billion of our common stock. This new program extends through December 31, 2025 and supersedes 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 1,666,000 shares for $500Â million in the fourth quarter of 2024 (average cost of $300.04 per share). No shares were purchased in 2025 through February 11, 2025. We have accrued a stock repurchase excise tax of $8Â million related to the share repurchase programs as of December 31, 2024, located in â€œAccounts payable, accrued liabilities and otherâ€ and â€œAdditional paid-in capitalâ€ in the accompanying consolidated balance sheets. Molina Healthcare, Inc. 2024 Form 10-K | 80Share-Based CompensationIn connection with our employee stock plans, approximately 360,000 shares and 442,000 shares of common stock were issued, net of shares used to settle employeesâ€™ income tax obligations, during the years ended DecemberÂ 31, 2024, and 2023, respectively. Total share-based compensation expense is reported in â€œGeneral and administrative expensesâ€ in the accompanying consolidated statements of income, and summarized below.Year Ended DecemberÂ 31,202420232022(In millions)PretaxChargesNet-of-TaxAmountPretaxChargesNet-of-TaxAmountPretaxChargesNet-of-TaxAmountRSAs and PSUs (defined below)$109Â $100Â $108Â $102Â $97Â $90Â Employee stock purchase plan7Â 7Â 7Â 7Â 6Â 6Â Total$116Â $107Â $115Â $109Â $103Â $96Â Equity Incentive PlanAt DecemberÂ 31, 2024, we had employee equity incentives outstanding under our 2019 Equity Incentive Plan (the â€œ2019 EIPâ€). The 2019 EIP provides for awards, in the form of restricted stock awards (â€œRSAsâ€), performance stock units (â€œPSUsâ€), stock options, and other stockâ€“ or cashâ€“based awards, to eligible persons who perform services for us. The 2019 EIP provides for the issuance of up to 2.9 million shares of our common stock.Stock-based awards. RSAs and PSUs are granted with a fair value equal to the market price of our common stock on the date of grant, and generally vest in equal annual installments over periods up to four years from the date of grant. PSUs vest in their entirety at the end of three-year performance periods, if their performance conditions are met. We generally recognize expense for RSAs and PSUs on a straight-line basis. The weighted-average grant date fair value of our RSAs was $382.23 in 2024, $277.37 in 2023, and $312.27 in 2022. The weighted-average grant date fair value of our PSUs was $353.44 in 2024, $233.50 in 2023, and $214.94 in 2022. Activity for stock-based awards in the year ended DecemberÂ 31, 2024, is summarized below.RSAsWeightedAverageGrantÂ DateFair ValuePSUsWeightedAverageGrantÂ DateFair ValueUnvested balance, December 31, 2023535,447Â $268.41Â 410,374Â $286.77Â Granted232,162Â 382.23Â 307,226Â 353.44Â Vested(224,447)251.45Â (175,101)276.30Â Forfeited(55,515)307.84Â (13,417)293.64Â Unvested balance, December 31, 2024487,647Â $325.91Â 529,082Â $328.77Â As of DecemberÂ 31, 2024, total unrecognized compensation expense related to unvested RSAs and PSUs was $96 million, and $98 million, respectively, which we expect to recognize over a remaining weighted-average period of 2.0 years, and 1.9 years, respectively. This unrecognized compensation cost assumes an estimated forfeiture rate of 8% for non-executive employees as of DecemberÂ 31, 2024, based on actual forfeitures over the last 4 years. The total fair value of awards vested is presented in the following table.Year Ended DecemberÂ 31,202420232022(In millions)RSAs$86Â $62Â $70Â PSUs68Â 90Â 69Â Total vested$154Â $152Â $139Â Molina Healthcare, Inc. 2024 Form 10-K | 81Employee Stock Purchase Plans (â€œESPPâ€)Under our ESPP, eligible employees may purchase common shares at 85% of the lower of the fair market value of our common stock on either the first or last trading day of each six-month offering period. Each participant is limited to a maximum purchase of $25,000 (as measured by the fair value of the stock acquired) per year through payroll deductions. We estimate the fair value of the stock issued using a standard option pricing model. For the years ended DecemberÂ 31, 2024, 2023, and 2022, the inputs to this model were as follows: risk-free interest rates of approximately 0.2% to 5.4%; expected volatility of approximately 25% to 31%, dividend yields of 0%, and an average expected life of 0.5 years.14.Â Employee Benefit PlansWe sponsor defined contribution 401(k) plans that cover substantially all employees of our company and its subsidiaries. Eligible employees are permitted to contribute up to the maximum amount allowed by law. We match up to the first 4% of compensation contributed by employees. Expense recognized in connection with our contributions to the 401(k) plans amounted to $61 million, $54 million, and $45 million in the years ended DecemberÂ 31, 2024, 2023, and 2022, respectively.We also have a non-qualified deferred compensation plan for certain key employees. Under this plan, eligible participants may defer portions of their base salary and bonus to provide tax-deferred growth. The deferrals are distributable based upon termination of employment or other periods, as elected under the plan and were $50 million and $39Â million as of DecemberÂ 31, 2024 and 2023, respectively.15.Â Commitments and Contingencies Regulatory Capital Requirements and Dividend RestrictionsOur health plans, which are generally operated by our respective wholly owned subsidiaries in those states in which our health plans operate, are subject to state laws and regulations that, among other things, require the maintenance of minimum levels of statutory capital, as defined by each state. The National Association of Insurance Commissioners (â€œNAICâ€), has adopted model rules which, if implemented by the states, set minimum capitalization requirements for insurance companies, HMOs, and other entities bearing risk for healthcare coverage. The requirements take the form of risk-based capital (â€œRBCâ€) rules which may vary from state to state. Regulators in some states may also enforce capital requirements that require the retention of net worth in excess of amounts formally required by statute or regulation. All of our health plans except California, Florida, Massachusetts and New York, are subject to the RBC rules. The minimum statutory capital requirements in these states are based on a percentage of annualized premium revenue, a percentage of annualized health care costs, a percentage of certain liabilities, or other financial ratios. If our California, Florida, Massachusetts or New York health plans became subject to RBC rules, minimum capital required for those states could increase. Our Massachusetts health plan maintains a $35Â million performance bond, effective through December 31, 2025, to partially satisfy minimum net worth requirements in that state.Statutes, regulations and informal capital requirements also restrict the timing, payment, and amount of dividends and other distributions 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 on current statutes and regulations, the net assets in these subsidiaries, which may not be transferable to us in the form of loans, advances, or cash dividends was approximately $4.2 billion at DecemberÂ 31, 2024. Because of the statutory restrictions that inhibit the ability of our health plans 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 the parent companyâ€”Molina Healthcare, Inc. Such cash, cash equivalents and investments amounted to $445Â million and $742 million as of DecemberÂ 31, 2024 and 2023, respectively.As of DecemberÂ 31, 2024, our health plans had aggregate statutory capital and surplus of approximately $4.6 billion, which was in excess of the required minimum aggregate statutory capital and surplus of approximately $2.6 billion. We have the ability and commitment to provide additional capital to each of our health plans when necessary to ensure that statutory capital and surplus continues to meet regulatory requirements. Molina Healthcare, Inc. 2024 Form 10-K | 82Legal ProceedingsThe 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.Â Kentucky RFP. On September 4, 2020, Anthem Kentucky Managed Care Plan, Inc. (â€œAnthemâ€) brought an action in Franklin County Circuit Court against the Kentucky Finance and Administration Cabinet, the Kentucky Cabinet for Health and Family Services, and all of the five winning bidder health plans, including our Kentucky health plan. On September 9, 2022, the Kentucky Court of Appeals ruled that, with regard to the earlier Circuit Court ruling granting Anthem relief, the Circuit Court should not have invalidated the 2020 procurement and thus should not have awarded a contract to Anthem. Anthem sought discretionary review by the Kentucky Supreme

Court (â€œKSCâ€) of the ruling by the Court of Appeals. On March 14, 2024, the KSC entered an Order affirming the Kentucky Court of Appeals. On April 3, 2024, Anthem filed a motion for reconsideration of the KSC Order, which the KSC denied on October 24, 2024. On November 1, 2024, the trial judge lifted the existing injunction that had allowed Anthem to participate as a sixth managed care organization in the Kentucky Medicaid Program. On November 4, 2024, Anthem sought an evidentiary hearing on other alleged scoring errors in the 2020 RFP. On November 26, 2024, the trial court judge denied Anthemâ€™s motion for evidentiary hearing. Anthem did not appeal, thereby concluding this case. Puerto Rico. In August 2021, Molina Healthcare of Puerto Rico, Inc. (â€œMHPRâ€) filed a complaint with the Commonwealth of Puerto Rico, Court of First Instance, San Juan (State Court) asserting breach of contract against Puerto Rico Health Insurance Administration (â€œASESâ€). In September 2021, ASES filed a counterclaim and a third-party complaint against MHPR and the Company. In October 2024, the parties finalized a settlement of all outstanding claims, the terms of which are not a material impact on the Companyâ€™s business, financial condition, cash flows, or results of operations. Texas Qui Tam Litigation. On May 7, 2013, a relator filed under seal a qui tam action in Texas state court against Molina Healthcare, Inc. and Molina Healthcare of Texas, Inc., asserting claims under the Texas Medicaid Fraud Prevention Act (â€œTMFPAâ€) on behalf of the State of Texas. As required by the TMFPA, the original petition was filed in camera and under seal, and without Molinaâ€™s awareness, to permit the State to decide whether to intervene. In 2019, the State declined to intervene. In June 2019, as a result of the Stateâ€™s election to decline intervention, the trial court unsealed the original petition, at which time Molina became aware of the lawsuit. The relatorâ€™s third amended petition was filed on January 19, 2024. The petition alleged that, during the periods in question some ten years ago, Molina failed to assess STAR+PLUS members for personal attendant services, failed to provide those members with contractually required health care benefits, and misrepresented to the State Molinaâ€™s capacity to perform the assessments and the status of the assessments. Based on these allegations, the relator contended that Molina is liable to the State under the TMFPA for statutorily defined civil remedies, disgorgement of previous capitation payments, and interest. Molina denied the relatorâ€™s allegations as well as any liability in the lawsuit. In January 2025, the parties entered into a final settlement agreement in order to avoid the delay and expense of litigation. This matter is therefore concluded, and will not have a material effect on our business, financial condition, cash flows, or results of operations. Professional Liability InsuranceWe carry medical professional liability insurance for healthcare services rendered in our primary care locations and throughout the communities we serve. In addition, we carry managed care errors and omissions insurance for all managed care services that we provide.Molina Healthcare, Inc. 2024 Form 10-K | 8316. Segments We currently have four reportable segments consisting of: 1)Â Medicaid; 2)Â Medicare; 3)Â Marketplace; and 4)Â 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.The key metrics used to assess the performance of our Medicaid, Medicare, and Marketplace segments are premium revenue, medical margin and medical care ratio (â€œMCRâ€). MCR represents the amount of medical care costs as a percentage of premium revenue. Therefore, the underlying medical margin, or the amount earned by the Medicaid, Medicare, and Marketplace segments after medical costs are deducted from premium 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. The key metric used to assess the performance of our Other segment is service margin. The service margin is equal to service revenue minus cost of service revenue. We do not report total assets by segment since this is not a metric used to assess segment performance or allocate resources.Year Ended December 31, 2024MedicaidMedicare MarketplaceOtherTotal(In millions)Revenue:Premium revenue$30,579Â $5,542Â $2,506Â $â€”Â $38,627Â Service revenueâ€”Â â€”Â â€”Â 81Â 81Â Revenue from external customers30,579Â 5,542Â 2,506Â 81Â 38,708Â Other operating revenues (1)1,942Â Total revenue40,650Â Operating Expenses:Medical care costs27,600Â 4,939Â 1,889Â â€”Â 34,428Â Cost of service revenueâ€”Â â€”Â â€”Â 73Â 73Â Segment expenses27,600Â 4,939Â 1,889Â 73Â 34,501Â Other operating expenses (2)4,442Â Operating income1,707Â Less: interest expense118Â Income before income tax expense$1,589Â Segment Margin:Medical margin$2,979Â $603Â $617Â $â€”Â $4,199Â Service marginâ€”Â â€”Â â€”Â 8Â 8Â Molina Healthcare, Inc. 2024 Form 10-K | 84Year Ended December 31, 2023MedicaidMedicare MarketplaceOtherTotal(In millions)Revenue:Premium revenue$26,327Â $4,179Â $2,023Â $â€”Â $32,529Â Service revenueâ€”Â â€”Â â€”Â 76Â 76Â Revenue from external customers26,327Â 4,179Â 2,023Â 76Â 32,605Â Other operating revenues (1)1,467Â Total revenue34,072Â Operating Expenses:Medical care costs23,354Â 3,791Â 1,524Â â€”Â 28,669Â Cost of service revenueâ€”Â â€”Â â€”Â 67Â 67Â Segment expenses23,354Â 3,791Â 1,524Â 67Â 28,736Â Other operating expenses (2)3,763Â Operating income1,573Â Less: interest expense109Â Income before income tax expense$1,464Â Segment Margin:Medical margin$2,973Â $388Â $499Â $â€”Â $3,860Â Service marginâ€”Â â€”Â â€”Â 9Â 9Â Year Ended December 31, 2022MedicaidMedicare MarketplaceOtherTotal(In millions)Revenue:Premium revenue$24,827Â $3,795Â $2,261Â $â€”Â $30,883Â Service revenueâ€”Â â€”Â â€”Â 71Â 71Â Revenue from external customers24,827Â 3,795Â 2,261Â 71Â 30,954Â Other operating revenues (1)1,020Â Total revenue31,974Â Operating Expenses:Medical care costs21,846Â 3,358Â 1,971Â â€”Â 27,175Â Cost of service revenueâ€”Â â€”Â â€”Â 60Â 60Â Segment expenses21,846Â 3,358Â 1,971Â 60Â 27,235Â Other operating expenses (2)3,566Â Operating income1,173Â Less: interest expense110Â Income before income tax expense$1,063Â Segment Margin:Medical margin$2,981Â $437Â $290Â $â€”Â $3,708Â Service marginâ€”Â â€”Â â€”Â 11Â 11Â _______________________(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, impairment, and certain other operating expenses.Molina Healthcare, Inc. 2024 Form 10-K | 8517.Â Condensed Financial Information of Registrant The condensed balance sheets as of DecemberÂ 31, 2024 and 2023, and the related condensed statements of income, comprehensive income and cash flows for each of the three years in the period ended DecemberÂ 31, 2024 for our parent company Molina Healthcare, Inc. (the â€œRegistrantâ€), are presented below.Condensed Balance SheetsÂ DecemberÂ 31,Â 20242023Â (In millions, except per-share data)ASSETSCurrent assets:Â Cash and cash equivalents$414Â $694Â Investments31Â 48Â Receivables4Â â€”Â Due from affiliates111Â 174Â Prepaid expenses and other current assets218Â 133Â Total current assets778Â 1,049Â Property, equipment, and capitalized software, net250Â 234Â Goodwill and intangible assets, net1,348Â 825Â Investments in subsidiaries5,697Â 4,911Â Deferred income taxes, netâ€”Â 57Â Advances to related parties and other assets102Â 94Â Total assets$8,175Â $7,170Â LIABILITIES AND STOCKHOLDERSâ€™ EQUITYCurrent liabilities:Â Â Accounts payable, accrued liabilities and other$473Â $527Â Total current liabilities473Â 527Â Long-term debt2,923Â 2,180Â Finance lease liabilities195Â 205Â Deferred income taxes, net34Â â€”Â Other long-term liabilities54Â 43Â Total liabilities3,679Â 2,955Â Stockholdersâ€™ equity:Common stock, $0.001 par value; 150 million shares authorized; outstanding: 56 million shares at December 31, 2024 and 58 million at December 31, 2023â€”Â â€”Â Preferred stock, $0.001 par value; 20 million shares authorized, no shares issued and outstandingâ€”Â â€”Â Additional paid-in capital462Â 410Â Accumulated other comprehensive loss(57)(82)Retained earnings4,091Â 3,887Â Total stockholdersâ€™ equity4,496Â 4,215Â Total liabilities and stockholdersâ€™ equity$8,175Â $7,170Â See accompanying notes.Molina Healthcare, Inc. 2024 Form 10-K | 86Condensed Statements of IncomeÂ Year Ended DecemberÂ 31,Â 202420232022Â (In millions)Revenue:Â Â Â Administrative services fees$2,145Â $2,038Â $1,826Â Investment income and other revenue19Â 27Â 8Â Total revenue2,164Â 2,065Â 1,834Â Expenses:Â General and administrative expenses2,039Â 1,952Â 1,721Â Depreciation and amortization139Â 131Â 141Â Impairmentâ€”Â â€”Â 138Â Other29Â 20Â â€”Â Total operating expenses2,207Â 2,103Â 2,000Â Operating loss(43)(38)(166)Interest expense118Â 109Â 110Â Loss before income tax benefit and equity in net earnings of subsidiaries(161)(147)(276)Income tax expense (benefit)7Â (7)(42)Net loss before equity in net earnings of subsidiaries(168)(140)(234)Equity in net earnings of subsidiaries1,347Â 1,231Â 1,026Â Net income$1,179Â $1,091Â $792Â Condensed Statements of Comprehensive IncomeYear Ended DecemberÂ 31,202420232022(In millions)Net income$1,179Â $1,091Â $792Â Other comprehensive income (loss):Unrealized investment income (loss)33Â 102Â (204)Less: effect of income taxes8Â 24Â (49)Other comprehensive income (loss), net of tax25Â 78Â (155)Comprehensive income$1,204Â $1,169Â $637Â See accompanying notes.Molina Healthcare, Inc. 2024 Form 10-K | 87Condensed Statements of Cash FlowsÂ Year Ended DecemberÂ 31,Â 202420232022Â (In millions)Operating activities:Â Â Â Net cash provided by operating activities$63Â $81Â $119Â Investing activities:Â Capital contributions to subsidiaries(490)(221)(159)Dividends received from subsidiaries997Â 705Â 668Â Purchases of investmentsâ€”Â (2)(29)Proceeds from sales and maturities of investments17Â 1Â 49Â Purchases of property, equipment and capitalized software(97)(79)(86)Net cash paid in business combinations (489)(74)â€”Â Change in amounts due to/from affiliates60Â 5Â (69)Other, net6Â 7Â 3Â Net cash provided by investing activities4Â 342Â 377Â Financing activities:Â Common stock purchases(1,000)â€”Â (400)Proceeds from senior notes offering, net of issuance costs740Â â€”Â â€”Â Proceeds from borrowings under credit facility300Â â€”Â â€”Â Repayment of credit facility(300)â€”Â â€”Â Common stock withheld to settle employee tax obligations (57)(60)(54)Contingent consideration liabilities settledâ€”Â â€”Â (20)Other, net(30)2Â 33Â Net cash used in financing activities(347)(58)(441)Net (decrease) increase in cash and cash equivalents(280)365Â 55Â Cash and cash equivalents at beginning of period694Â 329Â 274Â Cash and cash equivalents at end of period$414Â $694Â $329Â See accompanying notes.Notes to Condensed Financial Information of Registrant NoteÂ AÂ - Basis of Presentation The Registrant was incorporated in 2002. Prior to that date, Molina Healthcare of California (formerly known as Molina Medical Centers) operated as a California health plan and as the parent company for three other state health plans. In June 2003, the employees and operations of the corporate entity were transferred from Molina Healthcare of California to the Registrant. The Registrantâ€™s investment in subsidiaries is stated at cost plus equity in undistributed earnings of subsidiaries since the date of acquisition. The accompanying condensed financial information of the Registrant should be read in conjunction with the consolidated financial statements and accompanying notes. NoteÂ BÂ - Transactions with SubsidiariesThe Registrant provides certain centralized medical and administrative services to our subsidiaries pursuant to administrative services agreements that include, but are not limited to, information technology, product development and administration, underwriting, claims processing, customer service, certain care management services, human resources, marketing, purchasing, risk management, actuarial, finance, accounting, compliance, legal and public relations. Fees are based on the fair market value of services rendered and are recorded as operating revenue. Payment is subordinated to the subsidiariesâ€™ ability to comply with minimum capital and other restrictive financial requirements of the states in which they operate. Charges in 2024, 2023, and 2022 for these services amounted to $2,145 million, $2,038 million, and $1,826 million, respectively, and are included in operating revenue. Molina Healthcare, Inc. 2024 Form 10-K | 88The Registrant and its subsidiaries are included in the consolidated federal and state income tax returns filed by the Registrant. Income taxes are allocated to each subsidiary in accordance with an intercompany tax allocation agreement. The agreement allocates income taxes in an amount generally equivalent to the amount which would be expensed by the subsidiary if it filed a separate tax return. Net operating loss benefits are paid to the subsidiary by the Registrant to the extent such losses are utilized in the consolidated tax returns.NoteÂ CÂ - Dividends and Capital Contributions When the Registrant receives dividends from its subsidiaries, such amounts are recorded as a reduction to the investments in the respective subsidiaries.For all periods presented, the Registrant made capital contributions to certain subsidiaries primarily to comply with minimum net worth requirements and to fund business combinations. Such amounts have been recorded as an increase in investment in the respective subsidiaries. Molina Healthcare, Inc. 2024 Form 10-K | 89Item 9A. CONTROLS AND PROCEDURESMANAGEMENTâ€™S EVALUATION OF DISCLOSURE CONTROLS AND PROCEDURESWe maintain disclosure controls and procedures, as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Securities Exchange Act of 1934, as amended (the â€œExchange Actâ€). In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, and management is required to apply its judgment in evaluating the cost-benefit relationship of any possible 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 Form 10-K, the effectiveness of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) of the Exchange Act). Based on this evaluation, our chief executive officer and our chief financial officer concluded that our disclosure controls and procedures were effective as of DecemberÂ 31, 2024, at the reasonable assurance level. In addition, management concluded that our consolidated financial statements included in this Annual Report on Form 10-K are fairly stated in all material respects in accordance with U.S. generally accepted accounting principles (â€œGAAPâ€) for each of the periods presented herein.MANAGEMENTâ€™S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTINGManagement is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in RuleÂ 13a-15(f) under the Exchange Act. Our internal control over financial reporting includes those policies and procedures that (1)Â pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (2)Â provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (3)Â provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.Internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements prepared for external purposes in accordance with GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of the effectiveness of our internal control over financial reporting to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.Management concluded that we maintained effective internal control over financial reporting as of DecemberÂ 31, 2024, based on criteria described in Internal Control-Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (â€œCOSOâ€).Effective January 1, 2024, we completed our acquisition of Brand New Day and Central Health Plan of California (â€œBright Health Medicareâ€). We are in the process of evaluating the existing controls and procedures of Bright Health Medicare, and integrating them into our internal controls over financial reporting. In accordance with SEC Staff guidance permitting a company to exclude an acquired business from managementâ€™s assessment of effectiveness of internal control over financial reporting for the year in which the acquisition is completed, we have excluded the business that we acquired in the Bright Health Medicare acquisition from our assessment of the effectiveness of internal control over financial reporting as of December 31, 2024. The business that we acquired in the Bright Health Medicare acquisition constituted 3% and 5% of total and net assets, respectively, as of December 31, 2024, and 3% and 1% of revenues and net income, respectively, for the year ended December 31, 2024. The scope of managementâ€™s assessment of the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2024, includes all of our consolidated operations except for those disclosure controls and procedures of Bright Health Medicare that are subsumed by internal control over financial reporting.Ernst & Young, LLP, the independent registered public accounting firm who audited our Consolidated Financial Statements included in this Form 10-K, has issued a report on our internal control over financial reporting, which is included herein.Changes in Internal Control over Financial ReportingThere were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act) during the quarter ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. Molina Healthcare, Inc. 2024 Form 10-K | 90REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRMTo the Stockholders and the Board of Directors of Molina Healthcare, Inc.Opinion on Internal Control Over Financial ReportingWe have audited Molina Healthcare, Inc.â€™s internal control over financial reporting as of DecemberÂ 31, 2024, based on criteria established in Internal Controlâ€”Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the â€œCOSO criteriaâ€). In our opinion, Molina Healthcare, Inc. (the â€œCompanyâ€) maintained, in all material respects, effective internal control over financial reporting as of DecemberÂ 31, 2024, based on the COSO criteria.As indicated in the accompanying Managementâ€™s Report on Internal Control Over Financial Reporting, managementâ€™s assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Bright Health Medicare, which is included in the 2024 consolidated financial statements of the Company and constituted 3% and 5% of total and net assets, respectively, as of December 31, 2024, and 3% and 1% of revenues and net income, respectively, for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Bright Health Medicare.We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (â€œPCAOBâ€), the consolidated balance sheets of the Company as of DecemberÂ 31, 2024 and 2023, the related consolidated statements of income, comprehensive income, stockholdersâ€™ equity and cash flows for each of the three years in the period ended DecemberÂ 31, 2024, and the related notes and our report dated FebruaryÂ 11, 2025 expressed an unqualified opinion thereon.Basis for OpinionThe Companyâ€™s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Managementâ€™s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Companyâ€™s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.Definition and Limitations of Internal Control Over Financial ReportingA companyâ€™s internal control over financial reporting is a process designed 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. A companyâ€™s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the companyâ€™s assets that could have a material effect on the financial statements.Molina Healthcare, Inc. 2024 Form 10-K | 91Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. /s/Â ErnstÂ & Young LLPLos Angeles, CaliforniaFebruaryÂ 11, 2025 Molina Healthcare, Inc. 2024 Form 10-K | 92Item 9B. OTHER INFORMATION(a)Â Â Â Â None. (b)Â Â Â Â No director or officer (as defined in 17 CFR Â§ 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 â€œnon-Rule 10b5-1 trading arrangementâ€ (as defined in 17 CFR Â§ 229.408(c)) during the three months ended DecemberÂ 31, 2024.PART IIIItem 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCEInformation required by Item 10 of Part III will be included in our Proxy Statement relating to our 2025 Annual Meeting of Stockholders (the â€œ2025 Proxy Statementâ€), and is incorporated herein by reference. This information will be included in the following sections of the 2025 Proxy Statement:â€¢PROPOSAL 1 - Election of Directorsâ€¢Information About Director Nomineesâ€¢Information About Directors Continuing in Officeâ€¢Additional Information About Directorsâ€¢Corporate Governance and Board of Directors Mattersâ€¢Information About the Executive Officers of the Companyâ€¢Section 16(a) Beneficial Ownership Reporting ComplianceInformation relating to our Code of Business Conduct and Ethics, our Insider Trading Policy and compliance with Section 16(a) of the Exchange Act will be set forth in the 2025 Proxy Statement and is incorporated herein by reference. We intend to disclose on our website any amendments to or waivers of our Code of Business Conduct and Ethics as required by law or NYSE rules, under the heading â€œInvestor Informationâ€”Corporate Governanceâ€ at molinahealthcare.com. Item 11. EXECUTIVE COMPENSATIONInformation required by Item 11 of Part III will be included in the 2025 Proxy Statement in the section entitled â€œExecutive Compensation,â€ and is incorporated herein by reference. Item 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERSInformation required by Item 12 of Part III will be included in the 2025 Proxy Statement in the section entitled â€œSecurity Ownership of Certain Beneficial Owners and Management,â€ and is incorporated herein by reference. Item 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCEInformation required by Item 13 of Part III will be included in the 2025 Proxy Statement in the sections entitled â€œRelated Party Transactions,â€ and â€œCorporate Governance and Board of Directors Mattersâ€”Director Independence,â€ and is incorporated herein by reference.Item 14. PRINCIPAL ACCOUNTANT FEES AND SERVICESOur independent registered public accounting firm is ErnstÂ & Young LLP, Los Angeles, CA, Auditor Firm ID: 42. Information required by Item 14 of Part III will be included in the 2025 Proxy Statement in the section entitled â€œFees Paid to Independent Registered Public Accounting Firm,â€ and is incorporated herein by reference.Molina Healthcare, Inc. 2024 Form 10-K | 93PART IVItem 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA (1)Â Â Â Â The consolidated financial statements are included in this report in the section entitled â€œFinancial Statements and Supplementary Data.â€(2)Â Â Â Â Financial Statement Schedules: Schedules for which provision is made in the applicable accounting regulations of the SEC are not required under the related instructions, are inapplicable, or the required information is included in the consolidated financial statements, and therefore have been omitted.EXHIBITSReference is made to the accompanying â€œIndex to Exhibits.â€ Molina Healthcare, Inc. 2024 Form 10-K | 94SIGNATURESPursuant to the requirements of SectionÂ 13 or 15(d) of the Securities Exchange Act of 1934, the undersigned registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on the 11th day of February, 2025.Â MOLINA HEALTHCARE, INC.By:/s/ Joseph M. ZubretskyJoseph M. ZubretskyChief Executive Officer(Principal Executive Officer)Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities as indicated, as of FebruaryÂ 11, 2025. SignatureTitle/s/ Joseph M. ZubretskyChiefÂ ExecutiveÂ Officer,Â President and DirectorJoseph M. Zubretsky(Principal Executive Officer)/s/ Mark L. KeimChief Financial OfficerMark L. Keim(Principal Financial Officer)/s/ Maurice S. HebertChief Accounting OfficerMaurice S. Hebert(Principal Accounting Officer)/s/ Barbara L. BrasierDirectorBarbara L. Brasier/s/ Daniel CoopermanDirectorDaniel Cooperman/s/ Stephen H. LockhartDirectorStephen H. Lockhart/s/ Steven J. OrlandoDirectorSteven J. Orlando/s/ Ronna E. RomneyDirectorRonna E. Romney/s/ Richard M. SchapiroDirectorRichard M. Schapiro/s/ Dale B. WolfChairman of the BoardDale B. Wolf/s/ Richard C. ZoreticDirectorRichard C. Zoretic Molina Healthcare, Inc. 2024 Form 10-K | 95INDEX TO EXHIBITSThe following exhibits are filed or furnished, as applicable, with this Annual Report on Form 10-K (this â€œForm 10-Kâ€) or incorporated herein by reference.The agreements included or incorporated by reference as exhibits to this FormÂ 10-K may contain representations and warranties by each of the parties to the applicable agreement. These representations and warranties were made solely for the benefit of the other parties to the applicable agreement and (i)Â were not intended to be treated as categorical statements of fact, but rather as a way of allocating the risk to one of the parties if those statements prove to be inaccurate; (ii)Â may have been qualified in such agreement by disclosures that were made to the other party in connection with the negotiation of the applicable agreement; (iii)Â may apply contract standards of â€œmaterialityâ€ that are different from â€œmaterialityâ€ under the applicable securities laws; and (iv)Â were made only as of the date of the applicable agreement or such other date or dates as may be specified in the agreement. The Company acknowledges that, notwithstanding the inclusion of the foregoing cautionary statements, it is responsible for considering whether additional specific disclosures of material information regarding material contractual provisions are required to make the statements in this FormÂ 10-K not misleading.NumberDescriptionMethodÂ ofÂ Filing3.1Certificate of IncorporationFiled as ExhibitÂ 3.2 to registrantâ€™s Registration Statement on FormÂ S-1 filed DecemberÂ 30, 20023.2Certificate of Amendment to Certificate of IncorporationFiled as Exhibit 3.2 to registrantâ€™s Form 10-K filed February 13, 20243.3Certificate of Amendment to Certificate of IncorporationFiled as Exhibit 3.3 to registrantâ€™s Form 10-K filed February 13, 20243.4Amended and Restated Bylaws of Molina Healthcare, Inc.Filed as Exhibit 3.1 to registrantâ€™s Form 8-K filed December 26, 20234.1Indenture, dated as of June 2, 2020, by and between Molina Healthcare, Inc. and U.S. Bank National Association, as TrusteeFiled as Exhibit 4.1 to registrantâ€™s Form 8-K filed June 2, 20204.2Form of 4.375% Notes (included in Exhibit 4.1).Filed as Exhibit 4.2 to registrantâ€™s Form 8-K filed June 2, 2020 (Included in Exhibit 4.1 to registrantâ€™s Form 8-K filed June 2, 2020)4.3Indenture, dated as of November 17, 2020, by and between Molina Healthcare, Inc. and U.S. Bank National Association, as TrusteeFiled as Exhibit 4.1 to registrantâ€™s Form 8-K filed November 17, 20204.4Form of 3.875% Notes due 2030 (included in Exhibit 4.3)Filed as Exhibit 4.2 to registrantâ€™s Form 8-K filed November 17, 2020 (Included in Exhibit 4.1 to registrantâ€™s Form 8-K filed November 17, 2020)4.5Indenture, dated as of November 16, 2021, by and between Molina Healthcare, Inc. and U.S. Bank National Association, as TrusteeFiled as Exhibit 4.1 to registrantâ€™s Form 8-K filed November 16, 20214.6Form of 3.875% Notes due 2032 (included in Exhibit 4.5)Filed as Exhibit 4.2 to registrantâ€™s Form 8-K filed November 16, 2021 (Included in Exhibit 4.1 to registrantâ€™s Form 8-K filed November 16, 2021)4.7Description of Registrantâ€™s SecuritiesFiled herewith4.8Indenture, dated as of November 18, 2024, by and between Molina Healthcare, Inc. and U.S. Bank Company Trust Company, National Association, as TrusteeFiled as Exhibit 4.1 to registrantâ€™s Form 8-K filed November 18, 20244.9Form of 6.250% Notes due 2033Filed as Exhibit 4.2 to registrantâ€™s Form 8-K filed November 18, 2024 (Included in Exhibit 4.1 to registrantâ€™s Form 8-K filed November 18, 2024)***10.1Credit Agreement, dated as of June 8, 2020, by and among Molina Healthcare, Inc., as the Borrower, Truist Bank, as Administrative Agent, Issuing Bank and Swingline Lender, and the Lenders party theretoFiled as Exhibit 10.1 to registrantâ€™s Form 8-K filed June 8, 202010.2First Amendment to Credit Agreement, dated as of April 26, 2023, by and between Molina Healthcare, Inc. and Truist Bank, in its capacity as Administrative AgentFiled as Exhibit 10.1 to registrantâ€™s Form 10-Q filed April 27, 2023***10.3Second Amendment to Credit Agreement, dated as of September 20, 2024, by and among the Company, the Lenders party thereto and Truist Bank, as Administrative Agent, Issuing Bank and Swingline LenderFiled as Exhibit 10.1 to registrantâ€™s Form 8-K filed September 23, 2024Molina Healthcare, Inc. 2024 Form 10-K | 96NumberDescriptionMethodÂ ofÂ Filing*10.42019 Employee Stock Purchase PlanFiled as Exhibit 10.3 to registrantâ€™s Form 10-K filed February 13, 2024*10.5Molina Healthcare, Inc. 2019 Equity Incentive PlanFiled herewith*10.62019 Equity Incentive Plan - Form of Restricted Stock Award Agreement (Employee/Officer with No Employment Agreement)Filed as Exhibit 10.1 to registrantâ€™s Form 10-Q filed July 31, 2019*10.72019 Equity Incentive Plan - Form of Performance Stock Unit Award Agreement (Employee/Officer with No Employment Agreement)Filed as Exhibit 10.2 to registrantâ€™s Form 10-Q filed July 31, 2019*10.82019 Equity Incentive Plan - Form of Restricted Stock Award Agreement (Officer with Employment Agreement)Filed as Exhibit 10.3 to registrantâ€™s Form 10-Q filed July 31, 2019*10.92019 Equity Incentive Plan - Form of Performance Stock Unit Award Agreement (Officer with Employment Agreement)Filed as Exhibit 10.4 to registrantâ€™s Form 10-Q filed July 31, 2019*10.10Molina Healthcare, Inc. Second Amended and Restated Change in Control Severance PlanFiled as Exhibit 10.14 to registrantâ€™s Form 10-K filed February 16, 2021*10.11Form of Indemnification AgreementFiled as Exhibit 10.14 to registrantâ€™s Form 10-K filed March 14, 2007*10.12Molina Healthcare, Inc. Amended and Restated Deferred Compensation Plan (2022)Filed as Exhibit 10.10 to registrantâ€™s Form 10-K filed February 14, 2022*10.13First Amendment to Molina Healthcare, Inc. Amended and Restated Deferred Compensation Plan (2022)Filed as Exhibit 10.1 to registrantâ€™s Form 10-Q filed October 26, 2023*10.14Employment Agreement with Jeff Barlow dated June 14, 2013Filed as Exhibit 10.3 to registrantâ€™s Form 8-K filed June 14, 2013*10.15Change in Control Agreement with Jeff D. Barlow, dated as of September 18, 2012Filed as Exhibit 10.16 to registrantâ€™s Form 10-K filed February 28, 2013*10.16Amended and Restated Employment Agreement, dated September 8, 2021, by and between Molina Healthcare, Inc. and Joseph M. ZubretskyFiled as Exhibit 10.1 to registrantâ€™s Form 8-K filed September 9, 2021*10.17Amendment of Employment Agreement, dated February 16, 2022, by and between Molina Healthcare, Inc. and Joseph M. ZubretskyFiled as Exhibit 10.1 to registrantâ€™s Form 8-K filed February 16, 2022*10.18Amendment of Employment Agreement, dated August 19, 2024, by and between Molina Healthcare, Inc. and Joseph M. ZubretskyFiled as Exhibit 10.1 to registrantâ€™s Form 8-K filed August 20, 2024*10.19Performance Stock Unit Award Agreement, dated August 19, 2024, by and between Molina Healthcare, Inc. and Joseph M. ZubretskyFiled as Exhibit 10.2 to registrantâ€™s Form 8-K filed August 20, 2024*10.20Performance Stock Unit Award Agreement, dated October 16, 2024, by and between Molina Healthcare, Inc. and Mark L. KeimFiled as Exhibit 10.1 to registrantâ€™s Form 8-K filed October 17, 2024+10.21Master Services Agreement for Information Technology Services, dated February 4, 2019, by and between Molina Healthcare, Inc. and Infosys LimitedFiled as Exhibit 10.36 to registrantâ€™s Form 10-K filed February 19, 2019***10.22First Amendment, dated August 1, 2019, to the Master Services Agreement for Information Technology Services, dated February 4, 2019, by and between Molina Healthcare, Inc. and Infosys LimitedFiled as Exhibit 10.1 to registrantâ€™s Form 10-Q filed October 30, 2019**10.23Change Request #7 to the Master Services Agreement dated February 2, 2019, by and between Molina Healthcare, Inc. and Infosys LimitedFiled as Exhibit 10.1 to registrantâ€™s Form 10-Q filed October 27, 202219.1Insider Trading PolicyFiled herewith21.1List of SubsidiariesFiled herewith23.1Consent of Independent Registered Public Accounting FirmFiled herewith31.1Section 302 Certification of Chief Executive OfficerFiled herewith31.2Section 302 Certification of Chief Financial OfficerFiled herewith32.1Certificate of Chief Executive Officer pursuant to 18Â U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002Furnished herewithMolina Healthcare, Inc. 2024 Form 10-K | 97NumberDescriptionMethodÂ ofÂ Filing32.2Certificate of Chief Financial Officer pursuant to 18Â U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002Furnished herewith97Molina Healthcare, Inc. Policy for Recovery of Erroneously Awarded CompensationFiled as Exhibit 97 to registrantâ€™s Form 10-K filed February 13, 2024101.INSInline 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 herewith101.SCHInline XBRL Taxonomy Extension Schema DocumentFiled herewith101.CALInline XBRL Taxonomy Extension Calculation Linkbase DocumentFiled herewith101.DEFInline XBRL Taxonomy Extension Definition Linkbase DocumentFiled herewith101.LABInline XBRL Taxonomy Extension Label Linkbase DocumentFiled herewith101.PREInline XBRL Taxonomy Extension Presentation Linkbase DocumentFiled herewith104Cover Page Interactive Data file (formatted as Inline XBRL and embedded within Exhibit 101)Filed herewith*Management contract or compensatory plan or arrangement.**Certain portions of this agreement have been omitted in accordance with Item 601(b)(10) of Regulation S-K. A copy of any omitted portion will be furnished to the Securities and Exchange Commission upon request. The location of the redacted confidential information is indicated in the exhibit as â€œ[redacted]â€. ***Certain schedules (or similar attachments) to this exhibit have been omitted pursuant to Regulation S-K, Item 601(a)(5). The registrant agrees to furnish a copy of any omitted schedule (or similar attachment) to the Securities and Exchange Commission upon request. +Portions of this exhibit have been omitted pursuant to a request for confidential treatment filed with the Securities and Exchange Commission under Rule 24b-2. The omitted confidential material has been filed separately. The location of the redacted confidential information is indicated in the exhibit as â€œ[redacted]â€.Molina Healthcare, Inc. 2024 Form 10-K | 98 EX-4.7 2 exhibit47_descriptionofr.htm EX-4.7 exhibit47_descriptionofr DESCRIPTION OF THE REGISTRANTâ€™S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934 The Common Stock of Molina Healthcare, Inc., a Delaware corporation (the â€œCompanyâ€), is registered under Section 12 of the Securities Exchange Act of 1934, as amended (the â€œExchange Actâ€). The following description of the Companyâ€™s Common Stock is a summary, does not purport to be complete, and is subject to and qualified in its entirety by reference to the Companyâ€™s certificate of incorporation, as amended from time to time (the â€œCertificate of Incorporationâ€), and the Companyâ€™s amended and restated bylaws, as amended from time to time (the â€œBylawsâ€), copies of which have been filed with the Securities and Exchange Commission. Please refer to the Certificate of Incorporation, the Bylaws and the applicable provisions of the General Corporation Law of the State of Delaware (the â€œDGCLâ€) for additional information. Authorized Capital Stock The Companyâ€™s authorized capital stock consists of 170,000,000 shares, with a par value of $0.001 per share, of which 150,000,000 shares are designated as Common Stock and 20,000,000 shares are designated as Preferred Stock. No shares of Preferred Stock are currently outstanding. Common Stock Fully Paid and Nonassessable All of the outstanding shares of Common Stock are fully paid and nonassessable. Voting Rights The holders of shares of Common Stock are entitled to one vote per share on all matters to be voted on by such holders. At all meetings of stockholders for the election of directors at which a quorum is present, the affirmative vote of a majority of the votes cast shall be sufficient to elect directors, provided that nominees for director shall be elected by the vote of a plurality of the votes cast at any meeting of stockholders for which, as of a date that is ten (10) days in advance of the date on which the Company files its definitive proxy statement with the Securities and Exchange Commission (regardless of whether thereafter revised or supplemented), the number of nominees for director exceeds the number of directors to be elected. All other questions presented to stockholders at a meeting at which a quorum is present shall be decided by the affirmative vote of the holders of a majority in voting power of the shares present in person or represented by proxy and entitled to vote on such matter, unless a different or minimum vote is required by applicable law or stock exchange rules. Â Dividends Subject to preferences that may be applicable to any preferred stock outstanding at the time, the holders of Common Stock are entitled to receive dividends, if any, declared from time to time by the Companyâ€™s board of directors (the â€œBoardâ€) out of legally available funds. Right to Receive Liquidation Distributions Upon liquidation, dissolution or winding up of the Company, holders of Common Stock are entitled to share ratably in all assets remaining after payment of liabilities and the liquidation preference of any then outstanding shares of preferred stock. No Preemptive or Similar Rights The holders of Common Stock have no preemptive or other subscription rights, and there are no conversion rights or redemption or sinking fund provisions with respect to such shares of Common Stock. Anti-Takeover Provisions The provisions of Delaware law, our Certificate of Incorporation and our Bylaws could have the effect of delaying, deferring, or discouraging another person from acquiring control of the Company. These provisions, which are summarized below, may have the effect of discouraging takeover bids. They are also designed, in part, to encourage persons seeking to acquire control of us to negotiate first with our board of directors. We believe that the benefits of increased protection of our potential ability to negotiate with an unfriendly or unsolicited acquirer outweigh the disadvantages of discouraging a proposal to acquire us because negotiation of these proposals could result in an improvement of their terms. Delaware Anti-Takeover Statute The Company is subject to the provisions of Section 203 of the DGCL regulating corporate takeovers. In general, Section 203 prohibits a publicly held Delaware corporation from engaging, under certain circumstances, in a business combination with an interested stockholder for a period of three years following the date the person became an interested stockholder unless: â€¢ prior to the date of the transaction, the corporationâ€™s board of directors approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder; â€¢ upon completion of the transaction that resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, calculated as provided under Section 203; or Â â€¢ at or subsequent to the date of the transaction, the business combination is approved by the corporationâ€™s board of directors and authorized at an annual or special meeting of stockholders, and not by written consent, by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder. Generally, a business combination includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. An interested stockholder is a person who, together with affiliates and associates, owns or, within three years prior to the determination of interested stockholder status did own, 15% or more of a corporationâ€™s outstanding voting stock. The existence of this provision could delay, defer or prevent a change of control of the Company. Advance Notice Requirements for Stockholder Proposals and Director Nominations The Bylaws provide that stockholders seeking to bring business before an annual meeting of stockholders, or to nominate candidates for election as directors at an annual meeting of stockholders, must provide timely notice in writing. To be timely, a stockholderâ€™s notice must be delivered to, or mailed and received at, the principal executive offices of the Company not less than ninety (90) days nor more than one hundred twenty (120) days prior to the one-year anniversary of the preceding year's annual meeting of the stockholders; provided, however, that in the event that the date of the annual meeting is scheduled more than thirty (30) days before or more than sixty (60) days after such anniversary date, notice by the stockholder, to be timely, must be so delivered, or mailed and received, not more than one hundred twenty (120) days prior to such annual meeting and not later than ninety (90) days prior to such annual meeting or, if later, the tenth (10th) day following the day on which public announcement of the date of such meeting is first made. The Bylaws also specify requirements as to the form and content of a stockholderâ€™s notice. These provisions may preclude, delay or discourage stockholders from bringing matters before an annual meeting of stockholders or from making nominations for directors at an annual meeting of stockholders. Proxy Access The Bylaws provide that if the Board solicits proxies with respect to the election of directors at an annual meeting of stockholders, a stockholder or a group of up to twenty (20) stockholders owning a number of shares that represents at least 3% of the outstanding shares of the Company entitled to vote at the meeting, continuously for at least three years, is permitted to nominate and include in the Companyâ€™s proxy materials director nominees constituting up to the greater of 20% of the Board or two individuals, provided the stockholder(s) and the nominee(s) satisfy the requirements specified in the Bylaws, including the requirements regarding timely notice. To be timely, a stockholderâ€™s notice must be received by the secretary of the Company not later than the close of business on the one hundred fiftieth (150th) day prior to the first anniversary of the date the definitive proxy statement was first released to stockholders in connection with the preceding yearâ€™s annual meeting of stockholders; provided, however, that in the event Â that the date of the annual meeting is scheduled more than thirty (30) days prior to or more than sixty (60) days following such anniversary date, notice by the stockholder, to be timely, must be so delivered not earlier than the one hundred twentieth (120th) day prior to such annual meeting and not later than close of business on the later of the ninetieth (90th) day prior to such annual meeting or the tenth (10th) day following the day on which public announcement of the date of such annual meeting is first made. Vacancies Unless otherwise provided in the Certificate of Incorporation or the Bylaws, vacancies resulting from the death, resignation, disqualification or removal of any director, and newly created directorships resulting from any increase in the authorized number of directors, shall be filled only by a majority of the directors then in office, although less than a quorum, or by a sole remaining director. Stockholder Action by Written Consent; Special Meeting of Stockholders The Certificate of Incorporation eliminates the ability of stockholders to act by written consent. It further provides that special meetings of the Companyâ€™s stockholders may be called only by our Chair of the Board, Chief Executive Officer, President, a majority of the Companyâ€™s directors or a committee of the board of directors specifically designated to call special meetings of stockholders. These provisions may limit the ability of stockholders to remove current management or approve transactions that stockholders may deem to be in their best interests. Authorized but Unissued Shares The Companyâ€™s authorized but unissued shares of Common Stock and preferred stock will be available for future issuance without stockholder approval. These additional shares may be utilized for a variety of corporate purposes, including public or private offerings to raise additional capital, corporate acquisitions and employee benefit plans. The existence of authorized but unissued shares of Common Stock and preferred stock could render more difficult or discourage an attempt to effect a change in the Companyâ€™s control or a change in the Companyâ€™s management by means of a proxy contest, tender offer, merger or otherwise. Charter and Bylaw Amendments Delaware law provides generally that the affirmative vote of a majority of the shares entitled to vote on any matter is required to amend a corporationâ€™s certificate of incorporation or bylaws, unless either a corporationâ€™s certificate of incorporation or bylaws requires a greater percentage. The Bylaws provide that the stockholders may amend the Bylaws by affirmative vote of the holders of a majority of the stock issued and outstanding. The Board may also amend the Bylaws by affirmative vote of a majority of directors present at any meeting at Â which a quorum is present; provided, however, that amendments of the Bylaws by the stockholders may not be altered or amended by the Board. Cumulative Voting Under cumulative voting, a minority stockholder holding a sufficient percentage of a class of shares may be able to ensure the election of one or more directors. The Certificate of Incorporation expressly denies stockholders the right to cumulative voting in the election of directors. Limitations on Liability and Indemnification of Officers and Directors Our Certificate of Incorporation and Bylaws provide indemnification for our directors and officers to the fullest extent permitted by the DGCL. We have entered into indemnification agreements with each of our directors and executive officers that may, in some cases, be broader than the specific indemnification provisions contained under the DGCL. In addition, as permitted by the DGCL, our certificate includes provisions that eliminate the personal liability of our directors for monetary damages resulting from breaches of certain fiduciary duties as a director or officer, to the extent permitted by the DGCL. The effect of this provision is to restrict our rights and the rights of our stockholders to recover monetary damages against a director for breach of certain fiduciary duties as a director or officer in certain circumstances, as provided in the DGCL. Forum Selection Our Bylaws provide that, unless the Company consents in writing to the selection of an alternative forum, (a) the Court of Chancery of the State of Delaware shall, to the fullest extent permitted by law, be the sole and exclusive forum for (1) any derivative action or proceeding brought on behalf of the Company, (2) any action asserting a claim of breach of a fiduciary duty owed by any director, officer, or other employee of the Company to the Company or the Companyâ€™s stockholders, (3) any action asserting a claim against the Company or any director, officer, or other employee of the Company arising pursuant to any provision of the DGCL, or the Companyâ€™s Certificate of Incorporation or Bylaws or (4) any action asserting a claim against the Company, or any director, officer, or other employee of the Company governed by the internal affairs doctrine; and (b) the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause or causes of action arising under the Securities Act of 1933, as amended, including all causes of action asserted against any defendant to such complaint. Our Bylaws also provide that any person or entity purchasing or otherwise acquiring any interest in any security of the Company shall be deemed to have notice of and consented to this provision. These provisions would not apply to suits brought to enforce a duty or liability created by the Securities Exchange Act of 1934, as amended. These choice of forum provisions may limit a stockholderâ€™s ability to bring a claim in a judicial forum that it finds favorable for disputes with Â us or any of our directors, officers, other employees or stockholders which may discourage lawsuits with respect to such claims. Transfer Agent Registrar The transfer agent and registrar for the Common Stock is Equiniti Trust Company, LLC. Listing The Common Stock is listed on the New York Stock Exchange under the symbol â€œMOHâ€. Â EX-10.5 3 a2019equityincentiveplan.htm EX-10.5 a2019equityincentiveplan {00404251;1} 1 Molina Healthcare, Inc. 2019 Equity Incentive Plan Effective as of May 8, 2019 1. ESTABLISHMENT, PURPOSE AND TERM OF PLAN. 1.1 Establishment. Molina Healthcare, Inc. previously adopted the Molina Healthcare, Inc. 2011 Equity Incentive Plan (the â€œ2011 Planâ€), most recently amended and restated as of January 1, 2017. The 2011 Plan is hereby amended, restated, and merged into the Molina Healthcare, Inc. 2019 Equity Incentive Plan (the â€œPlanâ€) effective as of May 8, 2019, the date of its approval by the stockholders of the Company (the â€œEffective Dateâ€). 1.2 Purpose. The purpose of the Plan is to advance the interests of the Participating Company Group and its stockholders by providing an incentive to attract, retain and reward persons performing services for the Participating Company Group and by motivating such persons to contribute to the growth and profitability of the Participating Company Group. The Plan seeks to achieve this purpose by providing for Awards in the form of Options, Stock Appreciation Rights, Restricted Stock Purchase Rights, Restricted Stock Bonuses, Restricted Stock Units, Performance Shares, Performance Units, Cash-Based Awards and Other Stock- Based Awards. 1.3 Term of Plan. The Plan shall continue in effect until its termination by the Committee; provided, however, that all Awards shall be granted, if at all, within ten (10) years from the Effective Date. 2. DEFINITIONS AND CONSTRUCTION. 2.1 Definitions. Whenever used herein, the following terms shall have their respective meanings set forth below: (a) â€œAffiliateâ€ means (i) a parent entity, other than a Parent Corporation, that directly, or indirectly through one or more intermediary entities, controls the Company or (ii) a subsidiary entity, other than a Subsidiary Corporation, that is controlled by the Company directly or indirectly through one or more intermediary entities. For this purpose, the terms â€œparent,â€ â€œsubsidiary,â€ â€œcontrolâ€ and â€œcontrolled byâ€ shall have the meanings assigned such terms for the purposes of registration of securities on Form S-8 under the Securities Act. (b) â€œAwardâ€ means any Option, Stock Appreciation Right, Restricted Stock Purchase Right, Restricted Stock Bonus, Restricted Stock Unit, Performance Share, Performance Unit, Cash-Based Award or Other Stock-Based Award granted under the Plan. (c) â€œAward Agreementâ€ means a written or electronic agreement between the Company and a Participant setting forth the terms, conditions and restrictions applicable to an Award. (d) â€œBoardâ€ means the Board of Directors of the Company. (e) â€œCash-Based Awardâ€ means an Award denominated in cash and granted pursuant to Section 11. Â {00404251;1} 2 (f) â€œCauseâ€ means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between a Participant and a Participating Company applicable to an Award, any of the following: (i) the Participantâ€™s theft, dishonesty, willful misconduct, breach of fiduciary duty for personal profit, or falsification of any Participating Company documents or records; (ii) the Participantâ€™s material failure to abide by a Participating Companyâ€™s code of conduct or other policies (including, without limitation, policies relating to confidentiality and reasonable workplace conduct); (iii) the Participantâ€™s unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Participating Company (including, without limitation, the Participantâ€™s improper use or disclosure of a Participating Companyâ€™s confidential or proprietary information); (iv) any intentional act by the Participant which has a material detrimental effect on a Participating Companyâ€™s reputation or business; (v) the Participantâ€™s repeated failure or inability to perform any reasonable assigned duties after written notice from a Participating Company of, and a reasonable opportunity to cure, such failure or inability; (vi) any material breach by the Participant of any employment, service, non-disclosure, non-competition, non-solicitation or other similar agreement between the Participant and a Participating Company, which breach is not cured pursuant to the terms of such agreement; or (vii) the Participantâ€™s conviction (including any plea of guilty or nolo contendere) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or which impairs the Participantâ€™s ability to perform his or her duties with a Participating Company. (g) â€œChange in Controlâ€ means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between the Participant and a Participating Company applicable to an Award (including, without limitation, the Molina Healthcare, Inc. Amended and Restated Change in Control Severance Plan), the occurrence of any of the following: (i) any â€œpersonâ€ (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becomes the â€œbeneficial ownerâ€ (as such term is defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing more than fifty percent (50%) of the total Fair Market Value or total combined voting power of the Companyâ€™s then-outstanding securities entitled to vote generally in the election of Directors; provided, however, that a Change in Control shall not be deemed to have occurred if such degree of beneficial ownership results from any of the following: (A) an acquisition by any person who on the Effective Date is the beneficial owner of more than fifty percent (50%) of such voting power, (B) any acquisition directly from the Company, including, without limitation, pursuant to or in connection with a public offering of securities, (C) any acquisition by the Company, (D) any acquisition by a trustee or other fiduciary under an employee benefit plan of a Participating Company or (E) any acquisition by an entity owned directly or indirectly by the stockholders of the Company in substantially the same proportions as their ownership of the voting securities of the Company; or (ii) an Ownership Change Event or series of related Ownership Change Events (collectively, a â€œTransactionâ€) in which the stockholders of the Company immediately before the Transaction do not retain immediately after the Transaction direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding securities entitled to vote generally in the election of Directors or, in Â {00404251;1} 3 the case of an Ownership Change Event described in Section 2.1(bb)(iii), the entity to which the assets of the Company were transferred (the â€œTransfereeâ€), as the case may be; or (iii) approval by the stockholders of a plan of complete liquidation or dissolution of the Company; provided, however, that a Change in Control shall be deemed not to include a transaction described in subsections (i) or (ii) of this Section 2.1(g) in which a majority of the members of the board of directors of the continuing, surviving or successor entity, or parent thereof, immediately after such transaction is comprised of Incumbent Directors. For purposes of the preceding sentence, indirect beneficial ownership shall include, without limitation, an interest resulting from ownership of the voting securities of one or more corporations or other business entities which own the Company or the Transferee, as the case may be, either directly or through one or more subsidiary corporations or other business entities. The Committee shall determine whether multiple sales or exchanges of the voting securities of the Company or multiple Ownership Change Events are related, and its determination shall be final, binding and conclusive. (h) â€œCodeâ€ means the Internal Revenue Code of 1986, as amended, and any applicable regulations or administrative guidelines promulgated thereunder. (i) â€œCommitteeâ€ means the Compensation Committee and such other committee or subcommittee of the Board, if any, duly appointed to administer the Plan and having such powers in each instance as shall be specified by the Board. If, at any time, there is no committee of the Board then authorized or properly constituted to administer the Plan, the Board shall exercise all of the powers of the Committee granted herein, and, in any event, the Board may in its discretion exercise any or all of such powers. (j) â€œCompanyâ€ means Molina Healthcare, Inc., a Delaware corporation, or any successor corporation thereto. (k) â€œConsultantâ€ means a person engaged to provide consulting or advisory services (other than as an Employee or a member of the Board) to a Participating Company, provided that the identity of such person, the nature of such services or the entity to which such services are provided would not preclude the Company from offering or selling securities to such person pursuant to the Plan in reliance on registration on Form S-8 under the Securities Act. (l) â€œDirectorâ€ means a member of the Board. (m) â€œDisabilityâ€ means the permanent and total disability of the Participant, within the meaning of Section 22(e)(3) of the Code. (n) â€œDividend Equivalent Rightâ€ means the right of a Participant, granted at the discretion of the Committee or as otherwise provided by the Plan, to receive a credit for the account of such Participant in an amount equal to the cash dividends paid on one share of Stock for each share of Stock represented by an Award held by such Participant. Â {00404251;1} 4 (o) â€œEmployeeâ€ means any person treated as an employee (including an Officer or a member of the Board who is also treated as an employee) in the records of a Participating Company and, with respect to any Incentive Stock Option granted to such person, who is an employee for purposes of Section 422 of the Code; provided, however, that neither service as a member of the Board nor payment of a directorâ€™s fee shall be sufficient to constitute employment for purposes of the Plan. The Company shall determine in good faith and in the exercise of its discretion whether an individual has become or has ceased to be an Employee and the effective date of such individualâ€™s employment or termination of employment, as the case may be. For purposes of an individualâ€™s rights, if any, under the terms of the Plan as of the time of the Companyâ€™s determination of whether or not the individual is an Employee, all such determinations by the Company shall be final, binding and conclusive as to such rights, if any, notwithstanding that the Company or any court of law or governmental agency subsequently makes a contrary determination as to such individualâ€™s status as an Employee. (p) â€œExchange Actâ€ means the Securities Exchange Act of 1934, as amended. (q) â€œFair Market Valueâ€ means, as of any date, the value of a share of Stock or other property as determined by the Committee, in its discretion, or by the Company, in its discretion, if such determination is expressly allocated to the Company herein, subject to the following: (i) Except as otherwise determined by the Committee, if, on such date, the Stock is listed or quoted on a national or regional securities exchange or quotation system, the Fair Market Value of a share of Stock shall be the closing price of a share of Stock as quoted on the national or regional securities exchange or quotation system constituting the primary market for the Stock, as reported in The Wall Street Journal or such other source as the Company deems reliable. If the relevant date does not fall on a day on which the Stock has traded on such securities exchange or quotation system, the date on which the Fair Market Value shall be established shall be the last day on which the Stock was so traded or quoted prior to the relevant date, or such other appropriate day as shall be determined by the Committee, in its discretion. (ii) Notwithstanding the foregoing, the Committee may, in its discretion, determine the Fair Market Value of a share of Stock on the basis of the opening, closing, or average of the high and low sale prices of a share of Stock on such date or the preceding trading day, the actual sale price of a share of Stock received by a Participant, any other reasonable basis using actual transactions in the Stock as reported on a national or regional securities exchange or quotation system, or on any other basis consistent with the requirements of Section 409A. The Committee may vary its method of determination of the Fair Market Value as provided in this Section for different purposes under the Plan to the extent consistent with the requirements of Section 409A. (iii) If, on such date, the Stock is not listed or quoted on a national or regional securities exchange or quotation system, the Fair Market Value of a share of Stock shall be as determined by the Committee in good faith without regard to any restriction other than a restriction which, by its terms, will never lapse, and in a manner consistent with the requirements of Section 409A. Â {00404251;1} 5 (r) â€œFull Value Awardâ€ means any Award settled in Stock, other than (i) an Option, (ii) a Stock Appreciation Right, or (iii) a Restricted Stock Purchase Right or an Other Stock-Based Award under which the Company will receive monetary consideration equal to the Fair Market Value (determined on the effective date of grant) of the shares subject to such Award. (s) â€œIncentive Stock Optionâ€ means an Option intended to be (as set forth in the Award Agreement) and which qualifies as an incentive stock option within the meaning of Section 422(b) of the Code. (t) â€œIncumbent Directorâ€ means a director who either (i) is a member of the Board as of the Effective Date or (ii) is elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but excluding a director who was elected or nominated in connection with an actual or threatened proxy contest relating to the election of directors of the Company). (u) â€œInsiderâ€ means an Officer, Director or any other person whose transactions in Stock are subject to Section 16 of the Exchange Act. (v) â€œNet Exerciseâ€ means a procedure pursuant to which (i) the Company will reduce the number of shares otherwise issuable to a Participant upon the exercise of an Option by the largest whole number of shares having a Fair Market Value that does not exceed the aggregate exercise price for the shares with respect to which the Option is exercised, and (ii) the Participant shall pay to the Company in cash the remaining balance of such aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued. (w) â€œNonemployee Directorâ€ means a Director who is not an Employee. (x) â€œNonstatutory Stock Optionâ€ means an Option not intended to be (as set forth in the Award Agreement) or which does not qualify as an incentive stock option within the meaning of Section 422(b) of the Code. (y) â€œOfficerâ€ means any person designated by the Board as an officer of the Company. (z) â€œOptionâ€ means an Incentive Stock Option or a Nonstatutory Stock Option granted pursuant to the Plan. (aa) â€œOther Stock-Based Awardâ€ means an Award denominated in shares of Stock and granted pursuant to Section 11. (bb) â€œOwnership Change Eventâ€ means the occurrence of any of the following with respect to the Company: (i) the direct or indirect sale or exchange in a single or series of related transactions by the stockholders of the Company of securities of the Company representing more than fifty percent (50%) of the total combined voting power of the Companyâ€™s then-outstanding securities entitled to vote generally in the election of Directors; (ii) a merger or consolidation in which the Company is a party; or (iii) the sale, exchange, or transfer of all or Â {00404251;1} 6 substantially all of the assets of the Company (other than a sale, exchange or transfer to one or more subsidiaries of the Company). (cc) â€œParent Corporationâ€ means any present or future â€œparent corporationâ€ of the Company, as defined in Section 424(e) of the Code. (dd) â€œParticipantâ€ means any eligible person who has been granted one or more Awards. (ee) â€œParticipating Companyâ€ means the Company or any Parent Corporation, Subsidiary Corporation or Affiliate. (ff) â€œParticipating Company Groupâ€ means, at any point in time, the Company and all other entities collectively which are then Participating Companies. (gg) â€œPerformance Awardâ€ means an Award of Performance Shares or Performance Units. (hh) â€œPerformance Award Formulaâ€ means, for any Performance Award, a formula or table established by the Committee pursuant to Section 10.3 which provides the basis for computing the value of a Performance Award at one or more levels of attainment of applicable Performance Goal(s) measured as of the end of the applicable Performance Period. (ii) â€œPerformance Goalâ€ means a performance goal established by the Committee pursuant to Section 10.3. (jj) â€œPerformance Periodâ€ means a period established by the Committee pursuant to Section 10.3 at the end of which one or more Performance Goals are to be measured. (kk) â€œPerformance Shareâ€ means a right granted to a Participant pursuant to Section 10 to receive a payment equal to the value of a Performance Share, as determined by the Committee, based upon attainment of applicable Performance Goal(s). (ll) â€œPerformance Unitâ€ means a right granted to a Participant pursuant to Section 10 to receive a payment equal to the value of a Performance Unit, as determined by the Committee, based upon attainment of applicable Performance Goal(s). (mm) â€œRestricted Stock Awardâ€ means an Award of a Restricted Stock Bonus or a Restricted Stock Purchase Right. (nn) â€œRestricted Stock Bonusâ€ means Stock granted to a Participant pursuant to Section 8. (oo) â€œRestricted Stock Purchase Rightâ€ means a right to purchase Stock granted to a Participant pursuant to Section 8. Â {00404251;1} 7 (pp) â€œRestricted Stock Unitâ€ means a right granted to a Participant pursuant to Section 9 to receive on a future date or event a share of Stock or cash in lieu thereof, as determined by the Committee. (qq) â€œRule 16b-3â€ means Rule 16b-3 under the Exchange Act, as amended from time to time, or any successor rule or regulation. (rr) â€œSARâ€ or â€œStock Appreciation Rightâ€ means a right granted to a Participant pursuant to Section 7 to receive payment, for each share of Stock subject to such Award, of an amount equal to the excess, if any, of the Fair Market Value of a share of Stock on the date of exercise of the Award over the exercise price thereof. (ss) â€œSection 409Aâ€ means Section 409A of the Code. (tt) â€œSection 409A Deferred Compensationâ€ means compensation provided pursuant to an Award that constitutes nonqualified deferred compensation within the meaning of Section 409A. (uu) â€œSecurities Actâ€ means the Securities Act of 1933, as amended. (vv) â€œServiceâ€ means a Participantâ€™s employment or service with the Participating Company Group, whether as an Employee, a Director or a Consultant. Unless otherwise provided by the Committee, a Participantâ€™s Service shall not be deemed to have terminated merely because of a change in the capacity in which the Participant renders such Service or a change in the Participating Company for which the Participant renders such Service, provided that there is no interruption or termination of the Participantâ€™s Service. Furthermore, a Participantâ€™s Service shall not be deemed to have been interrupted or terminated if the Participant takes any military leave, sick leave, or other bona fide leave of absence approved by the Company. However, unless otherwise provided by the Committee, if any such leave taken by a Participant exceeds ninety (90) days, then on the ninety-first (91st) day following the commencement of such leave the Participantâ€™s Service shall be deemed to have terminated, unless the Participantâ€™s right to return to Service is guaranteed by statute or contract. Notwithstanding the foregoing, unless otherwise designated by the Company or required by law, an unpaid leave of absence shall not be treated as Service for purposes of determining vesting under the Participantâ€™s Award Agreement. A Participantâ€™s Service shall be deemed to have terminated either upon an actual termination of Service or upon the business entity for which the Participant performs Service ceasing to be a Participating Company. Subject to the foregoing, the Company, in its discretion, shall determine whether the Participantâ€™s Service has terminated and the effective date of such termination. (ww) â€œStockâ€ means the common stock of the Company, as adjusted from time to time in accordance with Section 4.2. (xx) â€œSubsidiary Corporationâ€ means any present or future â€œsubsidiary corporationâ€ of the Company, as defined in Section 424(f) of the Code. (yy) â€œTen Percent Ownerâ€ means a Participant who, at the time an Option is granted to the Participant, owns stock possessing more than ten percent (10%) of the total Â {00404251;1} 8 combined voting power of all classes of stock of a Participating Company (other than an Affiliate) within the meaning of Section 422(b)(6) of the Code. (zz) â€œTrading Compliance Policyâ€ means the written policy of the Company pertaining to the purchase, sale, transfer or other disposition of the Companyâ€™s equity securities by Directors, Officers, Employees or other service providers who may possess material, nonpublic information regarding the Company or its securities. (aaa) â€œVesting Conditionsâ€ mean those conditions established in accordance with the Plan prior to the satisfaction of which shares subject to an Award remain subject to forfeiture or a repurchase option in favor of the Company exercisable for the Participantâ€™s monetary purchase price, if any, for such shares upon the Participantâ€™s termination of Service. 2.2 Construction. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term â€œorâ€ is not intended to be exclusive, unless the context clearly requires otherwise. 3. ADMINISTRATION. 3.1 Administration by the Committee. The Plan shall be administered by the Committee. All questions of interpretation of the Plan, of any Award Agreement or of any other form of agreement or other document employed by the Company in the administration of the Plan or of any Award shall be determined by the Committee, and such determinations shall be final, binding and conclusive upon all persons having an interest in the Plan or such Award, unless fraudulent or made in bad faith. Any and all actions, decisions and determinations taken or made by the Committee in the exercise of its discretion pursuant to the Plan or Award Agreement or other agreement thereunder (other than determining questions of interpretation pursuant to the preceding sentence) shall be final, binding and conclusive upon all persons having an interest therein. All expenses incurred in the administration of the Plan shall be paid by the Company. 3.2 Authority of Officers. Any Officer shall have the authority to act on behalf of the Company with respect to any matter, right, obligation, determination or election which is the responsibility of or which is allocated to the Company herein, provided the Officer has apparent authority with respect to such matter, right, obligation, determination or election. To the extent permitted by applicable law, the Committee may, in its discretion, delegate to a committee comprised of one or more Officers the authority to grant one or more Awards, without further approval of the Committee, to any Employee, other than a person who, at the time of such grant, is an Insider, and to exercise such other powers under the Plan as the Committee may determine; provided, however, that (a) the Committee shall fix the maximum number of shares subject to Awards that may be granted by such Officers, (b) each such Award shall be subject to the terms and conditions of the appropriate standard form of Award Agreement approved by the Board or the Committee and shall conform to the provisions of the Plan, and (c) each such Award shall conform to such other limits and guidelines as may be established from time to time by the Committee. Â {00404251;1} 9 3.3 Administration with Respect to Insiders. With respect to participation by Insiders in the Plan, at any time that any class of equity security of the Company is registered pursuant to Section 12 of the Exchange Act, the Plan shall be administered in compliance with the requirements, if any, of Rule 16b-3. 3.4 Powers of the Committee. In addition to any other powers set forth in the Plan and subject to the provisions of the Plan, the Committee shall have the full and final power and authority, in its discretion: (a) to determine the persons to whom, and the time or times at which, Awards shall be granted and the number of shares of Stock, units or monetary value to be subject to each Award; (b) to determine the type of Award granted; (c) to determine the Fair Market Value of shares of Stock or other property; (d) to determine the terms, conditions and restrictions applicable to each Award (which need not be identical) and any shares acquired pursuant thereto, including, without limitation, (i) the exercise or purchase price of shares pursuant to any Award, (ii) the method of payment for shares purchased pursuant to any Award, (iii) the method for satisfaction of any tax withholding obligation arising in connection with any Award, including by the withholding or delivery of shares of Stock, (iv) the timing, terms and conditions of the exercisability or vesting of any Award or any shares acquired pursuant thereto, (v) the Performance Measures, Performance Period, Performance Award Formula and Performance Goals applicable to any Award and the extent to which such Performance Goals have been attained, (vi) the time of the expiration of any Award, (vii) the effect of the Participantâ€™s termination of Service on any of the foregoing, and (viii) all other terms, conditions and restrictions applicable to any Award or shares acquired pursuant thereto not inconsistent with the terms of the Plan; (e) to determine whether an Award will be settled in shares of Stock, cash, other property, or in any combination thereof; (f) to approve one or more forms of Award Agreement; (g) to amend, modify, extend, cancel or renew any Award or to waive any restrictions or conditions applicable to any Award or any shares acquired pursuant thereto; (h) to accelerate, continue, extend or defer the exercisability or vesting of any Award or any shares acquired pursuant thereto, including with respect to the period following a Participantâ€™s termination of Service; (i) to prescribe, amend or rescind rules, guidelines and policies relating to the Plan, or to adopt sub-plans or supplements to, or alternative versions of, the Plan, including, without limitation, as the Committee deems necessary or desirable to comply with the laws or regulations of or to accommodate the tax policy, accounting principles or custom of, foreign jurisdictions whose citizens may be granted Awards; and Â {00404251;1} 10 (j) to correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award Agreement and to make all other determinations and take such other actions with respect to the Plan or any Award as the Committee may deem advisable to the extent not inconsistent with the provisions of the Plan or applicable law. 3.5 Option or SAR Repricing. Without the affirmative vote of holders of a majority of the shares of Stock cast in person or by proxy at a meeting of the stockholders of the Company at which a quorum representing a majority of all outstanding shares of Stock is present or represented by proxy, the Committee shall not approve a program providing for either (a) the cancellation of outstanding Options or SARs having exercise prices per share greater than the then Fair Market Value of a share of Stock (â€œUnderwater Awardsâ€) and the grant in substitution therefore of new Options or SARs having a lower exercise price, Full Value Awards or payments in cash, or (b) the amendment of outstanding Underwater Awards to reduce the exercise price thereof. This Section shall not apply to adjustments pursuant to the assumption of or substitution for an Option or SAR in a manner that would comply with Section 424(a) or Section 409A of the Code or to an adjustment pursuant to Section 4.2. 3.6 Indemnification. In addition to such other rights of indemnification as they may have as members of the Board or the Committee or as officers or employees of the Participating Company Group, members of the Board or the Committee and any officers or employees of the Participating Company Group to whom authority to act for the Board, the Committee or the Company is delegated shall be indemnified by the Company against all reasonable expenses, including attorneysâ€™ fees, actually and necessarily incurred in connection with the defense of any action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any right granted hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by independent legal counsel selected by the Company) or paid by them in satisfaction of a judgment in any such action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct in duties; provided, however, that within sixty (60) days after the institution of such action, suit or proceeding, such person shall offer to the Company, in writing, the opportunity at its own expense to handle and defend the same. 4. SHARES SUBJECT TO PLAN. 4.1 Maximum Number of Shares Issuable. Subject to adjustment as provided in Section 4.2, the maximum aggregate number of shares of Stock that may be issued under the Plan shall be 2,900,000, which shall consist of 2,009,222 newly authorized but unissued shares of Stock under the Plan and 890,778 authorized but unissued shares of Stock under the 2011 Plan, and the shares of Stock underlying any Awards which are reacquired by the Company, forfeited, or cancelled, satisfied without the issuance of Stock, or otherwise terminated (other than by exercise) without the issuance of Stock, or any combination thereof, under the Plan or the 2011 Plan. 4.2 Adjustments for Changes in Capital Structure. Subject to any required action by the stockholders of the Company and the requirements of Sections 409A and 424 of the Code Â {00404251;1} 11 to the extent applicable, in the event of any change in the Stock effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares, or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Stock (excepting regular, periodic cash dividends) that has a material effect on the Fair Market Value of shares of Stock, appropriate and proportionate adjustments shall be made in the number and kind of shares subject to the Plan and to any outstanding Awards, in the Award limits set forth in Section 5.3 and in the exercise or purchase price per share under any outstanding Award in order to prevent dilution or enlargement of Participantsâ€™ rights under the Plan. For purposes of the foregoing, conversion of any convertible securities of the Company shall not be treated as â€œeffected without receipt of consideration by the Company.â€ If a majority of the shares which are of the same class as the shares that are subject to outstanding Awards are exchanged for, converted into, or otherwise become (whether or not pursuant to a Change in Control) shares of another corporation (the â€œNew Sharesâ€), the Committee may unilaterally amend the outstanding Awards to provide that such Awards are for New Shares. In the event of any such amendment, the number of shares subject to, and the exercise or purchase price per share of, the outstanding Awards shall be adjusted in a fair and equitable manner as determined by the Committee, in its discretion. Any fractional share resulting from an adjustment pursuant to this Section shall be rounded down to the nearest whole number, and in no event may the exercise or purchase price under any Award be decreased to an amount less than the par value, if any, of the stock subject to such Award. The Committee in its discretion, may also make such adjustments in the terms of any Award to reflect, or related to, such changes in the capital structure of the Company or distributions as it deems appropriate, including modification of Performance Goals, Performance Award Formulas and Performance Periods. The adjustments determined by the Committee pursuant to this Section shall be final, binding and conclusive. 4.3

Assumption or Substitution of Awards. The Committee may, without affecting the number of shares of Stock available pursuant to Section 4.1, authorize the issuance or assumption of benefits under this Plan in connection with any merger, consolidation, acquisition of property or stock, or reorganization upon such terms and conditions as it may deem appropriate, subject to compliance with Section 409A and any other applicable provisions of the Code. 5. ELIGIBILITY, PARTICIPATION AND AWARD LIMITATIONS. 5.1 Persons Eligible for Awards. Awards may be granted only to Employees, Consultants and Directors. 5.2 Participation in the Plan. Awards are granted solely at the discretion of the Committee. Eligible persons may be granted more than one Award. However, eligibility in accordance with this Section shall not entitle any person to be granted an Award, or, having been granted an Award, to be granted an additional Award. Â {00404251;1} 12 5.3 Award Limitations. (a) Incentive Stock Option Limitations. (i) Maximum Number of Shares Issuable Pursuant to Incentive Stock Options. Subject to adjustment as provided in Section 4.2, the maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to the exercise of Incentive Stock Options shall not exceed 2,900,000. The maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to all Awards other than Incentive Stock Options shall be the number of shares determined in accordance with Section 4.1. (ii) Persons Eligible. An Incentive Stock Option may be granted only to a person who, on the effective date of grant, is an Employee of the Company, a Parent Corporation or a Subsidiary Corporation (each being an â€œISO-Qualifying Corporationâ€). Any person who is not an Employee of an ISO-Qualifying Corporation on the effective date of the grant of an Option to such person may be granted only a Nonstatutory Stock Option. (iii) Fair Market Value Limitation. To the extent that Options designated as Incentive Stock Options (granted under all stock option plans of the Participating Company Group, including the Plan) become exercisable by a Participant for the first time during any calendar year for Stock having a Fair Market Value greater than One Hundred Thousand Dollars ($100,000), the portion of such Options which exceeds such amount shall be treated as Nonstatutory Stock Options. For purposes of this Section, Options designated as Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of Stock shall be determined as of the time the Option with respect to such Stock is granted. If the Code is amended to provide for a limitation different from that set forth in this Section, such different limitation shall be deemed incorporated herein effective as of the date and with respect to such Options as required or permitted by such amendment to the Code. If an Option is treated as an Incentive Stock Option in part and as a Nonstatutory Stock Option in part by reason of the limitation set forth in this Section, the Participant may designate which portion of such Option the Participant is exercising. In the absence of such designation, the Participant shall be deemed to have exercised the Incentive Stock Option portion of the Option first. Upon exercise, shares issued pursuant to each such portion shall be separately identified. (b) Nonemployee Director Award Limits. Subject to adjustment as provided in Section 4.2, the maximum number of shares subject to Awards granted to the Nonemployee Directors within any fiscal year of the Company may not exceed the number of shares having an aggregate Fair Market Value as of the date of the Award of $3,330,000, and the maximum number of shares subject to one or more Awards granted to any individual Nonemployee Director within any fiscal year of the Company may not exceed the number of shares having an aggregate annual Fair Market Value as of the date of the Award of $330,000. 6. STOCK OPTIONS. Options shall be evidenced by Award Agreements specifying the number of shares of Stock covered thereby, in such form as the Committee shall from time to time establish. Award Agreements evidencing Options may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions: Â {00404251;1} 13 6.1 Exercise Price. The exercise price for each Option shall be established in the discretion of the Committee; provided, however, that (a) the exercise price per share shall be not less than the Fair Market Value of a share of Stock on the effective date of grant of the Option and (b) no Incentive Stock Option granted to a Ten Percent Owner shall have an exercise price per share less than one hundred ten percent (110%) of the Fair Market Value of a share of Stock on the effective date of grant of the Option. Notwithstanding the foregoing, an Option (whether an Incentive Stock Option or a Nonstatutory Stock Option) may be granted with an exercise price lower than the minimum exercise price set forth above if such Option is granted pursuant to an assumption or substitution for another option in a manner that would qualify under the provisions of Section 409A or 424(a) of the Code. 6.2 Exercisability and Term of Options. Options shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Committee and set forth in the Award Agreement evidencing such Option; provided, however, that (a) no Option shall be exercisable after the expiration of ten (10) years after the effective date of grant of such Option, (b) no Incentive Stock Option granted to a Ten Percent Owner shall be exercisable after the expiration of five (5) years after the effective date of grant of such Option and (c) no Option granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, shall be first exercisable until at least six (6) months following the date of grant of such Option (except in the event of such Employeeâ€™s death, disability or retirement, upon a Change in Control, or as otherwise permitted by the Worker Economic Opportunity Act). Subject to the foregoing, unless otherwise specified by the Committee in the grant of an Option, each Option shall terminate ten (10) years after the effective date of grant of the Option, unless earlier terminated in accordance with its provisions. 6.3 Payment of Exercise Price. (a) Forms of Consideration Authorized. Except as otherwise provided below, payment of the exercise price for the number of shares of Stock being purchased pursuant to any Option shall be made (i) in cash, by check or in cash equivalent, (ii) by tender to the Company, or attestation to the ownership, of shares of Stock owned by the Participant having a Fair Market Value not less than the exercise price (a â€œStock Tender Exerciseâ€), (iii) by delivery of a properly executed notice of exercise together with irrevocable instructions to a broker providing for the assignment to the Company of the proceeds of a sale or loan with respect to some or all of the shares being acquired upon the exercise of the Option (including, without limitation, through an exercise complying with the provisions of Regulation T as promulgated from time to time by the Board of Governors of the Federal Reserve System) (a â€œCashless Exerciseâ€), (iv) by delivery of a properly executed notice electing a Net Exercise, (v) by such other consideration as may be approved by the Committee from time to time to the extent permitted by applicable law, or (vi) by any combination thereof. The Committee may at any time or from time to time grant Options which do not permit all of the foregoing forms of consideration to be used in payment of the exercise price or which otherwise restrict one or more forms of consideration. Â {00404251;1} 14 (b) Limitations on Forms of Consideration. (i) Stock Tender Exercise. Notwithstanding the foregoing, a Stock Tender Exercise shall not be permitted if it would constitute a violation of the provisions of any law, regulation or agreement restricting the redemption of the Companyâ€™s stock. If required by the Company, an Option may not be exercised by tender to the Company, or attestation to the ownership, of shares of Stock unless such shares either have been owned by the Participant for a period of time required by the Company (and not used for another option exercise by attestation during such period) or were not acquired, directly or indirectly, from the Company. (ii) Cashless Exercise. The Company reserves, at any and all times, the right, in the Companyâ€™s sole and absolute discretion, to establish, decline to approve or terminate any program or procedures for the exercise of Options by means of a Cashless Exercise, including with respect to one or more Participants specified by the Company notwithstanding that such program or procedures may be available to other Participants. 6.4 Effect of Termination of Service. (a) Option Exercisability. Subject to earlier termination of the Option as otherwise provided herein and unless otherwise provided by the Committee, an Option shall terminate immediately upon the Participantâ€™s termination of Service to the extent that it is then unvested and shall be exercisable after the Participantâ€™s termination of Service to the extent it is then vested only during the applicable time period determined in accordance with this Section and thereafter shall terminate. The Committee may designate an exercise period in any applicable Award Agreement that differs from this Section 6.4(a); provided, however, (i) such exercise period complies with any applicable law, rules and regulations and (ii) if such exercise period does not meet the limitations of Section 422 of the Code regarding post-termination of employment exercise periods, such Option shall be treated as a Nonstatutory Stock Option, notwithstanding any designation to the contrary. (i) Disability. If the Participantâ€™s Service terminates because of the Disability of the Participant, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participantâ€™s Service terminated, may be exercised by the Participant (or the Participantâ€™s guardian or legal representative) at any time prior to the expiration of twelve (12) months after the date on which the Participantâ€™s Service terminated, but in any event no later than the date of expiration of the Optionâ€™s term as set forth in the Award Agreement evidencing such Option (the â€œOption Expiration Dateâ€). (ii) Death. If the Participantâ€™s Service terminates because of the death of the Participant, then (A) the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participantâ€™s Service terminated, may be exercised by the Participantâ€™s legal representative or other person who acquired the right to exercise the Option by reason of the Participantâ€™s death at any time prior to the expiration of twelve (12) months after the date on which the Participantâ€™s Service terminated, but in any event no later than the Option Expiration Date, and (B) solely for the purposes of determining the number of vested shares subject to the Option as of the date on which the Participantâ€™s Service terminated, the Participant shall be credited with an additional twelve (12) months of Service. The Participantâ€™s Service shall be deemed to have terminated on account of death if the Participant dies within three (3) Â {00404251;1} 15 months after the Participantâ€™s termination of Service; provided, however, that the Participant shall not be credited with additional months of Service if the Participant dies after the Participantâ€™s Service has otherwise terminated. (iii) Termination for Cause. Notwithstanding any other provision of the Plan to the contrary, if the Participantâ€™s Service is terminated for Cause or if, following the Participantâ€™s termination of Service and during any period in which the Option otherwise would remain exercisable, the Participant engages in any act that would constitute Cause, the Option shall terminate in its entirety and cease to be exercisable immediately upon such termination of Service or act. (iv) Other Termination of Service. If the Participantâ€™s Service terminates for any reason, except Disability, death or Cause, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participantâ€™s Service terminated, may be exercised by the Participant at any time prior to the expiration of three (3) months after the date on which the Participantâ€™s Service terminated, but in any event no later than the Option Expiration Date. (b) Extension if Exercise Prevented by Law. Notwithstanding the foregoing, other than termination of Service for Cause, if the exercise of an Option within the applicable time periods set forth in Section 6.4(a) is prevented by the provisions of Section 14 below, the Option shall remain exercisable until the later of (i) thirty (30) days after the date such exercise first would no longer be prevented by such provisions or (ii) the end of the applicable time period under Section 6.4 (a), but in any event no later than the Option Expiration Date. 6.5 Transferability of Options. During the lifetime of the Participant, an Option shall be exercisable only by the Participant or the Participantâ€™s guardian or legal representative. An Option shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participantâ€™s beneficiary, except transfer by will or by the laws of descent and distribution. Notwithstanding the foregoing, to the extent permitted by the Committee, in its discretion, and set forth in the Award Agreement evidencing such Option, an Option shall be assignable or transferable subject to the applicable limitations, if any, described in the General Instructions to Form S-8 under the Securities Act or, in the case of an Incentive Stock Option, only as permitted by applicable regulations under Section 421 of the Code in a manner that does not disqualify such Option as an Incentive Stock Option. 7. STOCK APPRECIATION RIGHTS. Stock Appreciation Rights shall be evidenced by Award Agreements specifying the number of shares of Stock subject to the Award, in such form as the Committee shall from time to time establish. Award Agreements evidencing SARs may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions: 7.1 Types of SARs Authorized. SARs may be granted in tandem with all or any portion of a related Option (a â€œTandem SARâ€) or may be granted independently of any Option Â {00404251;1} 16 (a â€œFreestanding SARâ€). A Tandem SAR may only be granted concurrently with the grant of the related Option. 7.2 Exercise Price. The exercise price for each SAR shall be established in the discretion of the Committee; provided, however, that (a) the exercise price per share subject to a Tandem SAR shall be the exercise price per share under the related Option and (b) the exercise price per share subject to a Freestanding SAR shall be not less than the Fair Market Value of a share of Stock on the effective date of grant of the SAR. Notwithstanding the foregoing, an SAR may be granted with an exercise price lower than the minimum exercise price set forth above if such SAR is granted pursuant to an assumption or substitution for another stock appreciation right in a manner that would qualify under the provisions of Section 409A of the Code. 7.3 Exercisability and Term of SARs. (a) Tandem SARs. Tandem SARs shall be exercisable only at the time and to the extent that the related Option is exercisable, subject to such provisions as the Committee may specify where the Tandem SAR is granted with respect to less than the full number of shares of Stock subject to the related Option. The Committee may, in its discretion, provide in any Award Agreement evidencing a Tandem SAR that such SAR may not be exercised without the advance approval of the Company and, if such approval is not given, then the Option shall nevertheless remain exercisable in accordance with its terms. A Tandem SAR shall terminate and cease to be exercisable no later than the date on which the related Option expires or is terminated or canceled. Upon the exercise of a Tandem SAR with respect to some or all of the shares subject to such SAR, the related Option shall be canceled automatically as to the number of shares with respect to which the Tandem SAR was exercised. Upon the exercise of an Option related to a Tandem SAR as to some or all of the shares subject to such Option, the related Tandem SAR shall be canceled automatically as to the number of shares with respect to which the related Option was exercised. (b) Freestanding SARs. Freestanding SARs shall be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as shall be determined by the Committee and set forth in the Award Agreement evidencing such SAR; provided, however, that (i) no Freestanding SAR shall be exercisable after the expiration of ten (10) years after the effective date of grant of such SAR and (b) no Freestanding SAR granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, shall be first exercisable until at least six (6) months following the date of grant of such SAR (except in the event of such Employeeâ€™s death, disability or retirement, upon a Change in Control, or as otherwise permitted by the Worker Economic Opportunity Act). Subject to the foregoing, unless otherwise specified by the Committee in the grant of a Freestanding SAR, each Freestanding SAR shall terminate ten (10) years after the effective date of grant of the SAR, unless earlier terminated in accordance with its provisions. 7.4 Exercise of SARs. Upon the exercise (or deemed exercise pursuant to Section 7.5) of an SAR, the Participant (or the Participantâ€™s legal representative or other person who acquired the right to exercise the SAR by reason of the Participantâ€™s death) shall be entitled to receive payment of an amount for each share with respect to which the SAR is exercised equal to the excess, if any, of the Fair Market Value of a share of Stock on the date of exercise of the Â {00404251;1} 17 SAR over the exercise price. Payment of such amount shall be made (a) in the case of a Tandem SAR, solely in shares of Stock in a lump sum upon the date of exercise of the SAR and (b) in the case of a Freestanding SAR, in cash, shares of Stock, or any combination thereof as determined by the Committee, in a lump sum upon the date of exercise of the SAR. When payment is to be made in shares of Stock, the number of shares to be issued shall be determined on the basis of the Fair Market Value of a share of Stock on the date of exercise of the SAR. For purposes of Section 7, an SAR shall be deemed exercised on the date on which the Company receives notice of exercise from the Participant or as otherwise provided in Section 7.5. 7.5 Deemed Exercise of SARs. If, on the date on which an SAR would otherwise terminate or expire, the SAR by its terms remains exercisable immediately prior to such termination or expiration and, if so exercised, would result in a payment to the holder of such SAR, then any portion of such SAR which has not previously been exercised shall automatically be deemed to be exercised as of such date with respect to such portion. 7.6 Effect of Termination of Service. Subject to earlier termination of the SAR as otherwise provided herein and unless otherwise provided by the Committee, an SAR shall be exercisable after a Participantâ€™s termination of Service only to the extent and during the applicable time period determined in accordance with Section 6.4 (treating the SAR as if it were an Option) and thereafter shall terminate. 7.7 Transferability of SARs. During the lifetime of the Participant, an SAR shall be exercisable only by the Participant or the Participantâ€™s guardian or legal representative. An SAR shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participantâ€™s beneficiary, except transfer by will or by the laws of descent and distribution. Notwithstanding the foregoing, to the extent permitted by the Committee, in its discretion, and set forth in the Award Agreement evidencing such Award, a Tandem SAR related to a Nonstatutory Stock Option or a Freestanding SAR shall be assignable or transferable subject to the applicable limitations, if any, described in the General Instructions to Form S-8 under the Securities Act. 8. RESTRICTED STOCK AWARDS. Restricted Stock Awards shall be evidenced by Award Agreements specifying whether the Award is a Restricted Stock Bonus or a Restricted Stock Purchase Right and the number of shares of Stock subject to the Award, in such form as the Committee shall from time to time establish. Award Agreements evidencing Restricted Stock Awards may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions: 8.1 Types of Restricted Stock Awards Authorized. Restricted Stock Awards may be granted in the form of either a Restricted Stock Bonus or a Restricted Stock Purchase Right. Restricted Stock Awards may be granted upon such conditions as the Committee shall determine, including, without limitation, upon the attainment of one or more Performance Goals described in Section 10.4. If either the grant of or satisfaction of Vesting Conditions applicable to a Restricted Stock Award is to be contingent upon the attainment of one or more Performance Â {00404251;1} 18 Goals, the Committee shall follow procedures substantially equivalent to those set forth in Sections 10.3 through 10.5(a). 8.2 Purchase Price. The purchase price for shares of Stock issuable under each Restricted Stock Purchase Right shall be established by the Committee in its discretion. No monetary payment (other than applicable tax withholding) shall be required as a condition of receiving shares of Stock pursuant to a Restricted Stock Bonus, the consideration for which shall be services actually rendered to a Participating Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock subject to a Restricted Stock Award. 8.3 Purchase Period. A Restricted Stock Purchase Right shall be exercisable within a period established by the Committee, which shall in no event exceed thirty (30) days from the effective date of the grant of the Restricted Stock Purchase Right. 8.4 Payment of Purchase Price. Except as otherwise provided below, payment of the purchase price for the number of shares of Stock being purchased pursuant to any Restricted Stock Purchase Right shall be made (a) in cash, by check or in cash equivalent, (b) by such other consideration as may be approved by the Committee from time to time to the extent permitted by applicable law, or (c) by any combination thereof. 8.5 Vesting and Restrictions on Transfer. Shares issued pursuant to any Restricted Stock Award shall be made subject to Vesting Conditions based upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award; provided that, with respect to all Restricted Stock Awards other than those made to any Nonemployee Director, (i) the Vesting Conditions for non-performance based Restricted Stock Awards shall provide that the vesting period be at least three years, over which period vesting may be pro-rata in the manner specified in the Award Agreement and (ii) the Vesting Conditions for performance-based Restricted Stock Awards shall provide that the vesting period be at least one year. During any period in which shares acquired pursuant to a Restricted Stock Award remain subject to Vesting Conditions, such shares may not be sold, exchanged, transferred, pledged, assigned or otherwise disposed of other than pursuant to an Ownership Change Event or as provided in Section 8.8. The Committee, in its discretion, may provide in any Award Agreement evidencing a Restricted Stock Award that, if the satisfaction of Vesting Conditions with respect to any shares subject to such Restricted Stock Award would otherwise occur on a day on which the sale of such shares would violate the provisions of the Trading Compliance Policy, then satisfaction of the Vesting Conditions automatically shall be determined on the next trading day on which the sale of such shares would not violate the Trading Compliance Policy. Upon request by the Company, each Participant shall execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock hereunder and shall promptly present to the Company any and all certificates representing shares of Stock acquired hereunder for the placement on such certificates of appropriate legends evidencing any such transfer restrictions. Â {00404251;1} 19 8.6 Voting Rights; Dividends and Distributions. Except as provided in this Section, Section 8.5 and any Award Agreement, during any period in which shares acquired pursuant to a Restricted Stock Award remain subject to Vesting Conditions, the Participant shall have all of the rights of a stockholder of the Company holding shares of Stock, including the right to vote such shares and to receive all dividends and other distributions paid with respect to such shares; provided, however, that if so determined by the Committee and provided by the Award Agreement, such dividends and distributions shall be subject to the same Vesting Conditions as the shares subject to the Restricted Stock Award with respect to which such dividends or distributions were paid, and otherwise shall be paid no later than the end of the calendar year in which such dividends or distributions are paid to stockholders (or, if later, the 15th day of the third month following the date such dividends or distributions are paid to stockholders). In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.2, any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends) to which the Participant is entitled by reason of the Participantâ€™s Restricted Stock Award shall be immediately subject to the same Vesting Conditions as the shares subject to the Restricted Stock Award with respect to which such dividends or distributions were paid or adjustments were made. 8.7 Effect of Termination of Service. Unless otherwise provided by the Committee in the Award Agreement evidencing a Restricted Stock Award, if a Participantâ€™s Service terminates for any reason, whether voluntary or involuntary (including the Participantâ€™s death or disability), then (a) the Company shall have the option to repurchase for the purchase price paid by the Participant any shares acquired by the Participant pursuant to a Restricted Stock Purchase Right which remain subject to Vesting Conditions as of the date of the Participantâ€™s termination of Service and (b) the Participant shall forfeit to the Company any shares acquired by the Participant pursuant to a Restricted Stock Bonus which remain subject to Vesting Conditions as of the date of the Participantâ€™s termination of Service. The Company shall have the right to assign at any time any repurchase right it may have, whether or not such right is then exercisable, to one or more persons as may be selected by the Company. 8.8 Nontransferability of Restricted Stock Award Rights. Rights to acquire shares of Stock pursuant to a Restricted Stock Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance or garnishment by creditors of the Participant or the Participantâ€™s beneficiary, except transfer by will or the laws of descent and distribution. All rights with respect to a Restricted Stock Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participantâ€™s guardian or legal representative. 9. RESTRICTED STOCK UNIT AWARDS. Restricted Stock Unit Awards shall be evidenced by Award Agreements specifying the number of Restricted Stock Units subject to the Award, in such form as the Committee shall from time to time establish. Award Agreements evidencing Restricted Stock Units may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions: Â {00404251;1} 20 9.1 Grant of Restricted Stock Unit Awards. Restricted Stock Unit Awards may be granted upon such conditions as the Committee shall determine, including, without limitation, upon the attainment of one or more Performance Goals described in Section 10.4. If either the grant of a Restricted Stock Unit Award or the Vesting Conditions with respect to such Award is to be contingent upon the attainment of one or more Performance Goals, the Committee shall follow procedures substantially equivalent to those set forth in Sections 10.3 through 10.5(a). 9.2 Purchase Price. No monetary payment (other than applicable tax withholding, if any) shall be required as a condition of receiving a Restricted Stock Unit Award, the consideration for which shall be services actually rendered to a Participating Company or for its benefit. Notwithstanding the foregoing, if required by applicable state corporate law, the Participant shall furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock issued upon settlement of the Restricted Stock Unit Award. 9.3 Vesting. Restricted Stock Unit Awards may (but need not) be made subject to Vesting Conditions based upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award. The Committee, in its discretion, may provide in any Award Agreement evidencing a Restricted Stock Unit Award that, if the satisfaction of Vesting Conditions with respect to any shares subject to the Award would otherwise occur on a day on which the sale of such shares would violate the provisions of the Trading Compliance Policy, then the satisfaction of the Vesting Conditions automatically shall be determined on the first to occur of (a) the next trading day on which the sale of such shares would not violate the Trading Compliance Policy or (b) the later of (i) last day of the calendar year in which the original vesting date occurred or (ii) the last day of the Companyâ€™s taxable year in which the original vesting date occurred. 9.4 Voting Rights, Dividend Equivalent Rights and Distributions. Participants shall have no voting rights with respect to shares of Stock represented by Restricted Stock Units until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Restricted Stock Unit Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the period beginning on the date such Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date the Award is settled or the date on which it is terminated. Such Dividend Equivalent Rights, if any, shall be paid by crediting the Participant with additional whole Restricted Stock Units as of the date of payment of such cash dividends on Stock. The number of additional Restricted Stock Units (rounded to the nearest whole number) to be so credited shall be determined by dividing (a) the amount of cash dividends paid on such date with respect to the number of shares of Stock represented by the Restricted Stock Units previously credited to the Participant by (b) the Fair Market Value per share of Stock on such date. Such additional Restricted Stock Units shall be subject to the same terms and conditions and shall be settled in the same manner and at the same time as the Restricted Stock Units originally subject to the Restricted Stock Unit Award. In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Â {00404251;1} 21 Company as described in Section 4.2, appropriate adjustments shall be made in the Participantâ€™s Restricted Stock Unit Award so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends) to which the Participant would be entitled by reason of the shares of Stock issuable upon settlement of the Award, and all such new, substituted or additional securities or other property shall be immediately subject to the same Vesting Conditions as are applicable to the Award. 9.5 Effect of Termination of Service. Unless otherwise provided by the Committee and set forth in the Award Agreement evidencing a Restricted Stock Unit Award, if a Participantâ€™s Service terminates for any reason, whether voluntary or involuntary (including the Participantâ€™s death or disability), then the Participant shall forfeit to the Company any Restricted Stock Units pursuant to the Award which remain subject to Vesting Conditions as of the date of the Participantâ€™s termination of Service. 9.6 Settlement of Restricted Stock Unit Awards. The Company shall issue to a Participant on the date on which Restricted Stock Units subject to the Participantâ€™s Restricted Stock Unit Award vest or on such other date determined by the Committee, in its discretion, and set forth in the Award Agreement one (1) share of Stock (and/or any other new, substituted or additional securities or other property pursuant to an adjustment described in Section 9.4) for each Restricted Stock Unit then becoming vested or otherwise to be settled on such date, subject to the withholding of applicable taxes, if any. If permitted by the Committee, the Participant may elect, consistent with the requirements of Section 409A, to defer receipt of all or any portion of the shares of Stock or other property otherwise issuable to the Participant pursuant to this Section, and such deferred issuance date(s) and amount(s) elected by the Participant shall be set forth in the Award Agreement. Notwithstanding the foregoing, the Committee, in its discretion, may provide for settlement of any Restricted Stock Unit Award by payment to the Participant in cash of an amount equal to the Fair Market Value on the payment date of the shares of Stock or other property otherwise issuable to the Participant pursuant to this Section. 9.7 Nontransferability of Restricted Stock Unit Awards. The right to receive shares pursuant to a Restricted Stock Unit Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participantâ€™s beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to a Restricted Stock Unit Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participantâ€™s guardian or legal representative. 10. PERFORMANCE AWARDS. Performance Awards shall be evidenced by Award Agreements in such form as the Committee shall from time to time establish. Award Agreements evidencing Performance Awards may incorporate all or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions: 10.1 Types of Performance Awards Authorized. Performance Awards may be granted in the form of either Performance Shares or Performance Units. Each Award Agreement evidencing a Performance Award shall specify the number of Performance Shares or Â {00404251;1} 22 Performance Units subject thereto, the Performance Award Formula, the Performance Goal(s) and Performance Period applicable to the Award, and the other terms, conditions and restrictions of the Award. 10.2 Initial Value of Performance Shares and Performance Units. Unless otherwise provided by the Committee in granting a Performance Award, each Performance Share shall have an initial monetary value equal to the Fair Market Value of one (1) share of Stock, subject to adjustment as provided in Section 4.2, on the effective date of grant of the Performance Share, and each Performance Unit shall have an initial monetary value established by the Committee at the time of grant. The final value payable to the Participant in settlement of a Performance Award determined on the basis of the applicable Performance Award Formula will depend on the extent to which Performance Goals established by the Committee are attained within the applicable Performance Period established by the Committee. 10.3 Establishment of Performance Period, Performance Goals and Performance Award Formula. In granting each Performance Award, the Committee shall establish in writing the applicable Performance Period, Performance Award Formula and one or more Performance Goals which, when measured at the end of the Performance Period, shall determine on the basis of the Performance Award Formula the final value of the Performance Award to be paid to the Participant. The Company shall notify each Participant granted a Performance Award of the terms of such Award, including the Performance Period, Performance Goal(s) and Performance Award Formula. 10.4 Measurement of Performance Goals. Performance Goals shall be established by the Committee on the basis of targets to be attained (â€œPerformance Targetsâ€) with respect to one or more measures of business or financial performance, other performance measures related to quality and service, and such other performance measures as are generally used in the Companyâ€™s industry (each, a â€œPerformance Measureâ€), subject to the following: (a) Performance Measures. Performance Measures shall be calculated in accordance with the Companyâ€™s financial statements, or, if such terms are not used in the Companyâ€™s financial statements, they shall be calculated in accordance with generally accepted accounting principles, a method used generally in the Companyâ€™s industry, or in accordance with a methodology established by the Committee prior to the grant of the Performance Award. Performance Measures shall be calculated with respect to the Company and each Subsidiary Corporation consolidated therewith for financial reporting purposes or such division or other business unit as may be selected by the Committee. Unless otherwise determined by the Committee prior to the grant of the Performance Award, the Performance Measures applicable to the Performance Award shall be calculated prior to the accrual of expense for any Performance Award for the same Performance Period and excluding the effect (whether positive or negative) on the Performance Measures of any change in accounting standards or any extraordinary, unusual or nonrecurring item, as determined by the Committee, occurring after the establishment of the Performance Goals applicable to the Performance Award. Each such adjustment, if any, shall be made solely for the purpose of providing a consistent basis from period to period for the calculation of Performance Measures in order to prevent the dilution or enlargement of the Participantâ€™s rights with respect to a Performance Award. Performance Measures may be one or more of the following, as determined by the Committee: Â {00404251;1} 23 (i) revenue; (ii) sales; (iii) expenses; (iv) operating income; (v) gross margin; (vi) operating margin; (vii) earnings before any one or more of: stock-based compensation expense, interest, taxes, depreciation and amortization; (viii) pre-tax profit; (ix) net operating income; (x) net income; (xi) economic value added; (xii) free cash flow; (xiii) operating cash flow; (xiv) balance of cash, cash equivalents and marketable securities; (xv) stock price; (xvi) earnings per share; (xvii) return on stockholder equity; (xviii) return on capital; (xix) return on assets; (xx) return on investment; (xxi) total stockholder return; (xxii) employee satisfaction; (xxiii) employee retention; (xxiv) market share; Â {00404251;1} 24 (xxv) customer satisfaction; (xxvi) product development; (xxvii) research and development expenses; (xxviii)completion of an identified special project; (xxix) completion of a joint venture or other corporate transaction; (xxx) recognized accreditation, such as National Committee for Quality Assurance (NCQA) accreditation; (xxxi) objective clinical performance, including, but not limited to, Healthcare Effectiveness Data and Information Set (HEDIS) measures; (xxxii) objective consumer experience, including, but not limited to, Consumer Assessment of Healthcare Providers and Systems (CAHPS) measures; and (xxxiii)Medicare Star Ratings. (b) Performance Targets. Performance Targets may include a minimum, maximum, target level and intermediate levels of performance, with the final value of a Performance Award determined under the applicable Performance Award Formula by the level attained during the applicable Performance Period. A Performance Target may be stated as an absolute value, a growth or reduction in a value, or as a value determined relative to an index, budget or other standard selected by the Committee. 10.5 Settlement of Performance Awards. (a) Determination of Final Value. As soon as practicable following the completion of the Performance Period applicable to a Performance Award, the Committee shall certify in writing the extent to which the applicable Performance Goals have been attained and the resulting final value of the Award earned by the Participant and to be paid upon its settlement in accordance with the applicable Performance Award Formula. (b) Discretionary Adjustment of Award Formula. In its discretion, the Committee may, either at the time it grants a Performance Award or at any time thereafter, provide for the positive or negative adjustment of the Performance Award Formula applicable to a Performance Award granted to any Participant to reflect such Participantâ€™s individual performance in his or her position with the Company or such other factors as the Committee may determine. (c) Effect of Leaves of Absence. Unless otherwise required by law or a Participantâ€™s Award Agreement, payment of the final value, if any, of a Performance Award held by a Participant who has taken in excess of thirty (30) days in unpaid leaves of absence during a Performance Period shall be prorated on the basis of the number of days of the Participantâ€™s Â {00404251;1} 25 Service during the Performance Period during which the Participant was not on an unpaid leave of absence. (d) Notice to Participants. As soon as practicable following the Committeeâ€™s determination and certification in accordance with Sections 10.5(a) and (b), the Company shall notify each Participant of the determination of the Committee. (e) Payment in Settlement of Performance Awards. As soon as practicable following the Committeeâ€™s determination and certification in accordance with Sections 10.5(a) and (b), but in any event within the Short-Term Deferral Period described in Section 15.1 (except as otherwise provided below or consistent with the requirements of Section 409A), payment shall be made to each eligible Participant (or such Participantâ€™s legal representative or other person who acquired the right to receive such payment by reason of the Participantâ€™s death) of the final value of the Participantâ€™s Performance Award. Payment of such amount shall be made in cash, shares of Stock, or a combination thereof as determined by the Committee. Unless otherwise provided in the Award Agreement evidencing a Performance Award, payment shall be made in a lump sum. If permitted by the Committee, the Participant may elect, consistent with the requirements of Section 409A, to defer receipt of all or any portion of the payment to be made to the Participant pursuant to this Section, and such deferred payment date(s) elected by the Participant shall be set forth in the Award Agreement. If any payment is to be made on a deferred basis, the Committee may, but shall not be obligated to, provide for the payment during the deferral period of Dividend Equivalent Rights or interest. (f) Provisions Applicable to Payment in Shares. If payment is to be made in shares of Stock, the number of such shares shall be determined by dividing the final value of the Performance Award by the Fair Market Value of a share of Stock determined by the method specified in the Award Agreement. Shares of Stock issued in payment of any Performance Award may be fully vested and freely transferable shares or may be shares of Stock subject to Vesting Conditions as provided in Section 8.5. Any shares subject to Vesting Conditions shall be evidenced by an appropriate Award Agreement and shall be subject to the provisions of Sections 8.5 through 8.8 above. 10.6 Voting Rights; Dividend Equivalent Rights and Distributions. Participants shall have no voting rights with respect to shares of Stock represented by Performance Share Awards until the date of the issuance of such shares, if any (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Performance Share Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the period beginning on the date the Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date on which the Performance Shares are settled or the date on which they are forfeited. Such Dividend Equivalent Rights, if any, shall be credited to the Participant in the form of additional whole Performance Shares as of the date of payment of such cash dividends on Stock. The number of additional Performance Shares (rounded to the nearest whole number) to be so credited shall be determined by dividing (a) the amount of cash dividends paid on the dividend payment date with respect to the number of shares of Stock represented by the Performance Shares previously credited to the Participant by (b) the Fair Market Value per share of Stock on such date. Dividend Equivalent Rights may be paid currently or may be accumulated and paid to Â {00404251;1} 26 the extent that Performance Shares become nonforfeitable, as determined by the Committee. Settlement of Dividend Equivalent Rights may be made in cash, shares of Stock, or a combination thereof as determined by the Committee, and may be paid on the same basis as settlement of the related Performance Share as provided in Section 10.5. Dividend Equivalent Rights shall not be paid with respect to Performance Units. In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.2, appropriate adjustments shall be made in the Participantâ€™s Performance Share Award so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends) to which the Participant would be entitled by reason of the shares of Stock issuable upon settlement of the Performance Share Award, and all such new, substituted or additional securities or other property shall be immediately subject to the same Performance Goals as are applicable to the Award. 10.7 Effect of Termination of Service. Unless otherwise provided by the Committee and set forth in the Award Agreement evidencing a Performance Award, the effect of a Participantâ€™s termination of Service on the Performance Award shall be as follows: (a) Death or Disability. If the Participantâ€™s Service terminates because of the death or Disability of the Participant before the completion of the Performance Period applicable to the Performance Award, the final value of the Participantâ€™s Performance Award shall be determined by the extent to which the applicable Performance Goals have been attained with respect to the entire Performance Period and shall be prorated based on the number of months of the Participantâ€™s Service during the Performance Period. Payment shall be made following the end of the Performance Period in any manner permitted by Section 10.5. (b) Other Termination of Service. If the Participantâ€™s Service terminates for any reason except death or Disability before the completion of the Performance Period applicable to the Performance Award, such Award shall be forfeited in its entirety; provided, however, that in the event of an involuntary termination of the Participantâ€™s Service, the Committee, in its discretion, may waive the automatic forfeiture of all or any portion of any such Award and determine the final value of the Performance Award in the manner provided by Section 10.7(a). Payment of any amount pursuant to this Section shall be made following the end of the Performance Period in any manner permitted by Section 10.5. 10.8 Nontransferability of Performance Awards. Prior to settlement in accordance with the provisions of the Plan, no Performance Award shall be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participantâ€™s beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to a Performance Award granted to a Participant hereunder shall be exercisable during his or her lifetime only by such Participant or the Participantâ€™s guardian or legal representative. 11. CASH-BASED AWARDS AND OTHER STOCK-BASED AWARDS. Cash-Based Awards and Other Stock-Based Awards shall be evidenced by Award Agreements in such form as the Committee shall from time to time establish. Award Agreements evidencing Cash-Based Awards and Other Stock-Based Awards may incorporate all Â {00404251;1} 27 or any of the terms of the Plan by reference and shall comply with and be subject to the following terms and conditions: 11.1 Grant of Cash-Based Awards. Subject to the provisions of the Plan, the Committee, at any time and from time to time, may grant Cash-Based Awards to Participants in such amounts and upon such terms and conditions, including the achievement of performance criteria, as the Committee may determine. 11.2 Grant of Other Stock-Based Awards. The Committee may grant other types of equity-based or equity-related Awards not otherwise described by the terms of this Plan (including the grant or offer for sale of unrestricted securities, stock-equivalent units, stock appreciation units, securities or debentures convertible into common stock or other forms determined by the Committee) in such amounts and subject to such terms and conditions as the Committee shall determine. Other Stock-Based Awards may be made available as a form of payment in the settlement of other Awards or as payment in lieu of compensation to which a Participant is otherwise entitled. Other Stock-Based Awards may involve the transfer of actual shares of Stock to Participants, or payment in cash or otherwise of amounts based on the value of Stock and may include, without limitation, Awards designed to comply with or take advantage of the applicable local laws of jurisdictions other than the United States. 11.3 Value of Cash-Based and Other Stock-Based Awards. Each Cash-Based Award shall specify a monetary payment amount or payment range as determined by the Committee. Each Other Stock-Based Award shall be expressed in terms of shares of Stock or units based on such shares of Stock, as determined by the Committee. The Committee may require the satisfaction of such Service requirements, conditions, restrictions or performance criteria, including, without limitation, Performance Goals as described in Section 10.4, as shall be established by the Committee and set forth in the Award Agreement evidencing such Award. If the Committee exercises its discretion to establish performance criteria, the final value of Cash-Based Awards or Other Stock-Based Awards that will be paid to the Participant will depend on the extent to which the performance criteria are met. 11.4 Payment or Settlement of Cash-Based Awards and Other Stock-Based Awards. Payment or settlement, if any, with respect to a Cash-Based Award or an Other Stock- Based Award shall be made in accordance with the terms of the Award, in cash, shares of Stock or other securities or any combination thereof as the Committee determines. To the extent applicable, payment or settlement with respect to each Cash-Based Award and Other Stock- Based Award shall be made in compliance with the requirements of Section 409A. 11.5 Voting Rights; Dividend Equivalent Rights and Distributions. Participants shall have no voting rights with respect to shares of Stock represented by Other Stock-Based Awards until the date of the issuance of such shares of Stock (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), if any, in settlement of such Award. However, the Committee, in its discretion, may provide in the Award Agreement evidencing any Other Stock-Based Award that the Participant shall be entitled to Dividend Equivalent Rights with respect to the payment of cash dividends on Stock during the period beginning on the date such Award is granted and ending, with respect to each share subject to the Award, on the earlier of the date the Award is settled or the date on which it is terminated. Such Dividend Equivalent Rights, if any, shall be paid in accordance with the Â {00404251;1} 28 provisions set forth in Section 9.4. Dividend Equivalent Rights shall not be granted with respect to Cash-Based Awards. In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.2, appropriate adjustments shall be made in the Participantâ€™s Other Stock- Based Award so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends) to which the Participant would be entitled by reason of the shares of Stock issuable upon settlement of such Award, and all such new, substituted or additional securities or other property shall be immediately subject to the same Vesting Conditions and performance criteria, if any, as are applicable to the Award. 11.6 Effect of Termination of Service. Each Award Agreement evidencing a Cash- Based Award or Other Stock-Based Award shall set forth the extent to which the Participant shall have the right to retain such Award following termination of the Participantâ€™s Service. Such provisions shall be determined in the discretion of the Committee, need not be uniform among all Cash-Based Awards or Other Stock-Based Awards, and may reflect distinctions based on the reasons for termination, subject to the requirements of Section 409A, if applicable. 11.7 Nontransferability of Cash-Based Awards and Other Stock-Based Awards. Prior to the payment or settlement of a Cash-Based Award or Other Stock-Based Award, the Award shall not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participantâ€™s beneficiary, except transfer by will or by the laws of descent and distribution. The Committee may impose such additional restrictions on any shares of Stock issued in settlement of Cash-Based Awards and Other Stock-Based Awards as it may deem advisable, including, without limitation, minimum holding period requirements, restrictions under applicable federal securities laws, under the requirements of any stock exchange or market upon which such shares of Stock are then listed and/or traded, or under any state securities laws or foreign law applicable to such shares of Stock. 12. STANDARD FORMS OF AWARD AGREEMENT. 12.1 Award Agreements. Each Award shall comply with and be subject to the terms and conditions set forth in the appropriate form of Award Agreement approved by the Committee and as amended from time to time. No Award or purported Award shall be a valid and binding obligation of the Company unless evidenced by a fully executed Award Agreement, which execution may be evidenced by electronic means. Any Award Agreement may consist of an appropriate form of Notice of Grant and a form of Agreement incorporated therein by reference, or such other form or forms, including electronic media, as the Committee may approve from time to time. 12.2 Authority to Vary Terms. The Committee shall have the authority from time to time to vary the terms of any standard form of Award Agreement either in connection with the grant or amendment of an individual Award or in connection with the authorization of a new standard form or forms; provided, however, that the terms and conditions of any such new, revised or amended standard form or forms of Award Agreement are not inconsistent with the terms of the Plan. Â {00404251;1} 29 13. CHANGE IN CONTROL. 13.1 Effect of Change in Control on Awards. Notwithstanding any provision of the Plan or an Award Agreement to the contrary, for any Participant who is covered by the Molina Healthcare, Inc. Amended and Restated Change in Control Severance Plan, any change to a Participantâ€™s Award by reason of a Change in Control shall be governed by the terms of such plan. For all other Participants and subject to the requirements and limitations of Section 409A, if applicable, the Committee may provide for any one or more of the following: (a) Accelerated Vesting. In its discretion, the Committee may provide in the grant of any Award or at any other time may take such action as it deems appropriate to provide for acceleration of the exercisability, vesting and/or settlement in connection with a Change in Control of each or any outstanding Award or portion thereof and shares acquired pursuant thereto upon such conditions, including termination of the Participantâ€™s Service prior to, upon, or following such Change in Control, and to such extent as the Committee shall determine. (b) Assumption, Continuation or Substitution. In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the â€œAcquirorâ€), may, without the consent of any Participant, either assume or continue the Companyâ€™s rights and obligations under each or any Award or portion thereof outstanding immediately prior to the Change in Control or substitute for each or any such outstanding Award or portion thereof a substantially equivalent award with respect to the Acquirorâ€™s stock, as applicable. For purposes of this Section, if so determined by the Committee in its discretion, an Award denominated in shares of Stock shall be deemed assumed if, following the Change in Control, the Award confers the right to receive, subject to the terms and conditions of the Plan and the applicable Award Agreement, for each share of Stock subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, other securities or property or a combination thereof) to which a holder of a share of Stock on the effective date of the Change in Control was entitled (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Stock); provided, however, that if such consideration is not solely common stock of the Acquiror, the Committee may, with the consent of the Acquiror, provide for the consideration to be received upon the exercise or settlement of the Award, for each share of Stock subject to the Award, to consist solely of common stock of the Acquiror equal in Fair Market Value to the per share consideration received by holders of Stock pursuant to the Change in Control. Any Award or portion thereof which is neither assumed or continued by the Acquiror in connection with the Change in Control nor exercised or settled as of the time of consummation of the Change in Control shall terminate and cease to be outstanding effective as of the time of consummation of the Change in Control. (c) Cash-Out of Outstanding Stock-Based Awards. The Committee may, in its discretion and without the consent of any Participant, determine that, upon the occurrence of a Change in Control, each or any Award denominated in shares of Stock or portion thereof outstanding immediately prior to the Change in Control and not previously exercised or settled shall be canceled in exchange for a payment with respect to each vested share (and each unvested share, if so determined by the Committee) of Stock subject to such canceled Award in (i) cash, (ii) stock of the Company or of a corporation or other business entity a party to the Change in Control, or (iii) other property which, in any such case, shall be in an amount having a Fair Â {00404251;1} 30 Market Value equal to the Fair Market Value of the consideration to be paid per share of Stock in the Change in Control, reduced (but not below zero) by the exercise or purchase price per share, if any, under such Award. In the event such determination is made by the Committee, an Award having an exercise or purchase price per share equal to or greater than the Fair Market Value of the consideration to be paid per share of Stock in the Change in Control may be canceled without payment of consideration to the holder thereof. Payment pursuant to this Section (reduced by applicable withholding taxes, if any) shall be made to Participants in respect of the vested portions of their canceled Awards as soon as practicable following the date of the Change in Control and in respect of the unvested portions of their canceled Awards in accordance with the vesting schedules applicable to such Awards. 13.2 Federal Excise Tax Under Section 4999 of the Code. (a) Excess Parachute Payment. In the event that any acceleration of vesting pursuant to an Award and any other payment or benefit received or to be received by a Participant would subject the Participant to any excise tax pursuant to Section 4999 of the Code due to the characterization of such acceleration of vesting, payment or benefit as an â€œexcess parachute paymentâ€ under Section 280G of the Code, the Participant may elect to reduce the amount of any acceleration of vesting called for under the Award in order to avoid such characterization. (b) Determination by Independent Accountants. To aid the Participant in making any election called for under Section 13.2(a), no later than the date of the occurrence of any event that might reasonably be anticipated to result in an â€œexcess parachute paymentâ€ to the Participant as described in Section 13.2(a), the Company shall request a determination in writing by independent public accountants selected by the Company (the â€œAccountantsâ€). As soon as practicable thereafter, the Accountants shall determine and report to the Company and the Participant the amount of such acceleration of vesting, payments and benefits which would produce the greatest after-tax benefit to the Participant. For the purposes of such determination, the Accountants may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and the Participant shall furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make their required determination. The Company shall bear all fees and expenses the Accountants charge in connection with their services contemplated by this Section. 14. COMPLIANCE WITH SECURITIES LAW. The grant of Awards and the issuance of shares of Stock pursuant to any Award shall be subject to compliance with all applicable requirements of federal, state and foreign law with respect to such securities and the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, no Award may be exercised or shares issued pursuant to an Award unless (a) a registration statement under the Securities Act shall at the time of such exercise or issuance be in effect with respect to the shares issuable pursuant to the Award, or (b) in the opinion of legal counsel to the Company, the shares issuable pursuant to the Award may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Companyâ€™s legal counsel to be necessary to the lawful issuance and sale of any shares hereunder shall relieve the Â {00404251;1} 31 Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority shall not have been obtained. As a condition to issuance of any Stock, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company. 15. COMPLIANCE WITH SECTION 409A. 15.1 Awards Subject to Section 409A. The Company intends that Awards granted pursuant to the Plan shall either be exempt from or comply with Section 409A, and the Plan shall be so construed. The provisions of this Section 15 shall apply to any Award or portion thereof that constitutes or provides for payment of Section 409A Deferred Compensation. Such Awards may include, without limitation: (a) A Nonstatutory Stock Option or SAR that includes any feature for the deferral of compensation other than the deferral of recognition of income until the later of (i) the exercise or disposition of the Award or (ii) the time the stock acquired pursuant to the exercise of the Award first becomes substantially vested. (b) Any Restricted Stock Unit Award, Performance Award, Cash-Based Award or Other Stock-Based Award that either (i) provides by its terms for settlement of all or any portion of the Award at a time or upon an event that will or may occur later than the end of the Short-Term Deferral Period (as defined below) or (ii) permits the Participant granted the Award to elect one or more dates or events upon which the Award will be settled after the end of the Short-Term Deferral Period. Subject to the provisions of Section 409A, the term â€œShort-Term Deferral Periodâ€ means the 2Â½ month period ending on the later of (i) the 15th day of the third month following the end of the Participantâ€™s taxable year in which the right to payment under the applicable portion of the Award is no longer subject to a substantial risk of forfeiture or (ii) the 15th day of the third month following the end of the Companyâ€™s taxable year in which the right to payment under the applicable portion of the Award is no longer subject to a substantial risk of forfeiture. For this purpose, the term â€œsubstantial risk of forfeitureâ€ shall have the meaning provided by Section 409A. 15.2 Deferral and/or Distribution Elections. Except as otherwise permitted or required by Section 409A, the following rules shall apply to any compensation deferral and/or payment elections (each, an â€œElectionâ€) that may be permitted or required by the Committee pursuant to an Award providing Section 409A Deferred Compensation: (a) Elections must be in writing and specify the amount of the payment in settlement of an Award being deferred, as well as the time and form of payment as permitted by this Plan. (b) Elections shall be made by the end of the Participantâ€™s taxable year prior to the year in which services commence for which an Award may be granted to such Participant. Â {00404251;1} 32 (c) Elections shall continue in effect until a written revocation or change in Election is received by the Company, except that a written revocation or change in Election must be received by the Company prior to the last day for making the Election determined in accordance with paragraph (b) above or as permitted by Section 15.3. 15.3 Subsequent Elections. Except as otherwise permitted or required by Section 409A, any Award providing Section 409A Deferred Compensation which permits a subsequent Election to delay the payment or change the form of payment in settlement of such Award shall comply with the following requirements: (a) No subsequent Election may take effect until at least twelve (12) months after the date on which the subsequent Election is made. (b) Each subsequent Election related to a payment in settlement of an Award not described in Section 15.4(a)(ii), 15.4(a)(iii) or 15.4(a)(vi) must result in a delay of the payment for a period of not less than five (5) years from the date on which such payment would otherwise have been made. (c) No subsequent Election related to a payment pursuant to Section 15.4(a)(iv) shall be made less than twelve (12) months before the date on which such payment would otherwise have been made. (d) Subsequent Elections shall continue in effect until a written revocation or change in the subsequent Election is received by the Company, except that a written revocation or change in a subsequent Election must be received by the Company prior to the last day for making the subsequent Election determined in accordance the preceding paragraphs of this Section 15.3. 15.4 Payment of Section 409A Deferred Compensation. (a) Permissible Payments. Except as otherwise permitted or required by Section 409A, an Award providing Section 409A Deferred Compensation must provide for payment in settlement of the Award only upon one or more of the following: (i) The Participantâ€™s â€œseparation from serviceâ€ (as such term is defined by Section 409A); (ii) The Participantâ€™s becoming â€œdisabledâ€ (as such term is defined by Section 409A); (iii) The Participantâ€™s death; (iv) A time or fixed schedule that is either (i) specified by the Committee upon the grant of an Award and set forth in the Award Agreement evidencing such Award or (ii) specified by the Participant in an Election complying with the requirements of Section 15.2 or 15.3, as applicable; Â {00404251;1} 33 (v) A change in the ownership or effective control or the Company or in the ownership of a substantial portion of the assets of the Company determined in accordance with Section 409A; or (vi) The occurrence of an â€œunforeseeable emergencyâ€ (as such term is defined by Section 409A). (b) Installment Payments. It is the intent of this Plan that any right of a Participant to receive installment payments (within the meaning of Section 409A) shall, for all purposes of Section 409A, be treated as a right to a series of separate payments. (c) Required Delay in Payment to Specified Employee Pursuant to Separation from Service. Notwithstanding any provision of the Plan or an Award Agreement to the contrary, except as otherwise permitted by Section 409A, no payment pursuant to Section 15.4(a)(i) in settlement of an Award providing for Section 409A Deferred Compensation may be made to a Participant who is a â€œspecified employeeâ€ (as such term is defined by Section 409A) as of the date of the Participantâ€™s separation from service before the date (the â€œDelayed Payment Dateâ€) that is six (6) months after the date of such Participantâ€™s separation from service, or, if earlier, the date of the Participantâ€™s death. All such amounts that would, but for this paragraph, become payable prior to the Delayed Payment Date shall be accumulated and paid on the Delayed Payment Date. (d) Payment Upon Disability. All distributions payable by reason of a Participant becoming disabled shall be paid in a lump sum or in periodic installments as established by the Participantâ€™s Election. If the Participant has made no Election with respect to distributions upon becoming disabled, all such distributions shall be paid in a lump sum upon the determination that the Participant has become disabled. (e) Payment Upon Death. If a Participant dies before complete distribution of amounts payable upon settlement of an Award subject to Section 409A, such undistributed amounts shall be distributed to his or her beneficiary under the distribution method for death established by the Participantâ€™s Election upon receipt by the Committee of satisfactory notice and confirmation of the Participantâ€™s death. If the Participant has made no Election with respect to distributions upon death, all such distributions shall be paid in a lump sum upon receipt by the Committee of satisfactory notice and confirmation of the Participantâ€™s death. (f) Payment Upon Change in Control. Notwithstanding any provision of the Plan or an Award Agreement to the contrary, to the extent that any amount constituting Section 409A Deferred Compensation would become payable under this Plan by reason of a Change in Control, such amount shall become payable only if the event constituting a Change in Control would also constitute a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A. Any Award which constitutes Section 409A Deferred Compensation and which would vest and otherwise become payable upon a Change in Control as a result of the failure of the Acquiror to assume, continue or substitute for such Award in accordance with Section 13.1(b) shall vest to the extent provided by such Award but shall be converted automatically at the effective time of such Change in Control into a right to receive, in cash on the date or dates such award would have been settled in accordance with its then existing settlement schedule (or Â {00404251;1} 34 as required by Section 15.4(c)), an amount or amounts equal in the aggregate to the intrinsic value of the Award at the time of the Change in Control. (g) Payment Upon Unforeseeable Emergency. The Committee shall have the authority to provide in the Award Agreement evidencing any Award providing for Section 409A Deferred Compensation for payment in settlement of all or a portion of such Award in the event that a Participant establishes, to the satisfaction of the Committee, the occurrence of an unforeseeable emergency. In such event, the amount(s) distributed with respect to such unforeseeable emergency cannot exceed the amounts reasonably necessary to satisfy the emergency need plus amounts necessary to pay taxes reasonably anticipated as a result of such distribution(s), after taking into account the extent to which such emergency need is or may be relieved through reimbursement or compensation by insurance or otherwise, by liquidation of the Participantâ€™s assets (to the extent the liquidation of such assets would not itself cause severe financial hardship) or by cessation of deferrals under the Award. All distributions with respect to an unforeseeable emergency shall be made in a lump sum upon the Committeeâ€™s determination that an unforeseeable emergency has occurred. The Committeeâ€™s decision with respect to whether an unforeseeable emergency has occurred and the manner in which, if at all, the payment in settlement of an Award shall be altered or modified, shall be final, conclusive, and not subject to approval or appeal. (h) Prohibition of Acceleration of Payments. Notwithstanding any provision of the Plan or an Award Agreement to the contrary, this Plan does not permit the acceleration of the time or schedule of any payment under an Award providing Section 409A Deferred Compensation, except as permitted by Section 409A. (i) No Representation Regarding Section 409A Compliance. Notwithstanding any other provision of the Plan, the Company makes no representation that Awards shall be exempt from or comply with Section 409A. No Participating Company shall be liable for any tax, penalty or interest imposed on a Participant by Section 409A. 16. TAX WITHHOLDING. 16.1 Tax Withholding in General. The Company shall have the right to deduct from any and all payments made under the Plan, or to require the Participant, through payroll withholding, cash payment or otherwise, to make adequate provision for, the federal, state, local and foreign taxes (including social insurance), if any, required by law to be withheld by any Participating Company with respect to an Award or the shares acquired pursuant thereto. The Company shall have no obligation to deliver shares of Stock, to release shares of Stock from an escrow established pursuant to an Award Agreement, or to make any payment in cash under the Plan until the Participating Company Groupâ€™s tax withholding obligations have been satisfied by the Participant. 16.2 Withholding in or Directed Sale of Shares. The Company shall have the right, but not the obligation, to deduct from the shares of Stock issuable to a Participant upon the exercise or settlement of an Award, or to accept from the Participant the tender of, a number of whole shares of Stock having a Fair Market Value, as determined by the Company, equal to all or any part of the tax withholding obligations of any Participating Company as determined under applicable provisions of the Code. The Fair Market Value of any shares of Stock withheld or Â {00404251;1} 35 tendered to satisfy any such tax withholding obligations shall not exceed the amount determined by the applicable maximum statutory withholding rates. The Company may require a Participant to direct a broker, upon the vesting, exercise or settlement of an Award, to sell a portion of the shares subject to the Award determined by the Company in its discretion to be sufficient to cover the tax withholding obligations of any Participating Company and to remit an amount equal to such tax withholding obligations to the Company in cash. 17. AMENDMENT, SUSPENSION OR TERMINATION OF PLAN. The Committee may amend, suspend or terminate the Plan at any time. However, without the approval of the Companyâ€™s stockholders, there shall be (a) no increase in the maximum aggregate number of shares of Stock that may be issued under the Plan (except by operation of the provisions of Section 4.2), (b) no change in the class of persons eligible to receive Incentive Stock Options, and (c) no other amendment of the Plan that would require approval of the Companyâ€™s stockholders under any applicable law, regulation or rule, including the rules of any stock exchange or quotation system upon which the Stock may then be listed or quoted. No amendment, suspension or termination of the Plan shall affect any then outstanding Award unless expressly provided by the Committee. Except as provided by the next sentence, no amendment, suspension or termination of the Plan may adversely affect any then outstanding Award without the consent of the Participant. Notwithstanding any other provision of the Plan to the contrary, the Committee may, in its sole and absolute discretion and without the consent of any Participant, amend the Plan or any Award Agreement, to take effect retroactively or otherwise, as it deems necessary or advisable for the purpose of conforming the Plan or such Award Agreement to any present or future law, regulation or rule applicable to the Plan, including, but not limited to, Section 409A. 18. MISCELLANEOUS PROVISIONS. 18.1 Repurchase Rights. Shares issued under the Plan may be subject to one or more repurchase options, or other conditions and restrictions as determined by the Committee in its discretion at the time the Award is granted. The Company shall have the right to assign at any time any repurchase right it may have, whether or not such right is then exercisable, to one or more persons as may be selected by the Company. Upon request by the Company, each Participant shall execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock hereunder and shall promptly present to the Company any and all certificates representing shares of Stock acquired hereunder for the placement on such certificates of appropriate legends evidencing any such transfer restrictions. 18.2 Forfeiture Events. (a) The Committee may specify in an Award Agreement that the Participantâ€™s rights, payments, and benefits with respect to an Award shall be subject to reduction, cancellation, forfeiture, or recoupment upon the occurrence of specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but shall not be limited to, termination of Service for Cause or any act by a Participant, whether before or after termination of Service, that would constitute Cause for termination of Service. Â {00404251;1} 36 (b) If the Company is required to prepare an accounting restatement due to the material noncompliance of the Company, as a result of misconduct, with any financial reporting requirement under the securities laws, any Participant who knowingly or through gross negligence engaged in the misconduct, or who knowingly or through gross negligence failed to prevent the misconduct, and any Participant who is one of the individuals subject to automatic forfeiture under Section 304 of the Sarbanes-Oxley Act of 2002, shall reimburse the Company for (i) the amount of any payment in settlement of an Award received by such Participant during the twelve-(12-) month period following the first public issuance or filing with the United States Securities and Exchange Commission (whichever first occurred) of the financial document embodying such financial reporting requirement, and (ii) any profits realized by such Participant from the sale of securities of the Company during such twelve-(12-) month period. 18.3 Provision of Information. Each Participant shall be given access to information concerning the Company equivalent to that information generally made available to the Companyâ€™s common stockholders. 18.4 Rights as Employee, Consultant or Director. No person, even though eligible pursuant to Section 5, shall have a right to be selected as a Participant, or, having been so selected, to be selected again as a Participant. Nothing in the Plan or any Award granted under the Plan shall confer on any Participant a right to remain an Employee, Consultant or Director or interfere with or limit in any way any right of a Participating Company to terminate the Participantâ€™s Service at any time. To the extent that an Employee of a Participating Company other than the Company receives an Award under the Plan, that Award shall in no event be understood or interpreted to mean that the Company is the Employeeâ€™s employer or that the Employee has an employment relationship with the Company. 18.5 Rights as a Stockholder. A Participant shall have no rights as a stockholder with respect to any shares covered by an Award until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment shall be made for dividends, distributions or other rights for which the record date is prior to the date such shares are issued, except as provided in Section 4.2 or another provision of the Plan. 18.6 Delivery of Title to Shares. Subject to any governing rules or regulations, the Company shall issue or cause to be issued the shares of Stock acquired pursuant to an Award and shall deliver such shares to or for the benefit of the Participant by means of one or more of the following: (a) by delivering to the Participant evidence of book entry shares of Stock credited to the account of the Participant, (b) by depositing such shares of Stock for the benefit of the Participant with any broker with which the Participant has an account relationship, or (c) by delivering such shares of Stock to the Participant in certificate form. 18.7 Fractional Shares. The Company shall not be required to issue fractional shares upon the exercise or settlement of any Award. 18.8 Retirement and Welfare Plans. Neither Awards made under this Plan nor shares of Stock or cash paid pursuant to such Awards may be included as â€œcompensationâ€ for purposes of computing the benefits payable to any Participant under any Participating Companyâ€™s retirement plans (both qualified and non-qualified) or welfare benefit plans unless Â {00404251;1} 37 such other plan expressly provides that such compensation shall be taken into account in computing a Participantâ€™s benefit. 18.9 Beneficiary Designation. Subject to local laws and procedures, each Participant may file with the Company a written designation of a beneficiary who is to receive any benefit under the Plan to which the Participant is entitled in the event of such Participantâ€™s death before he or she receives any or all of such benefit. Each designation will revoke all prior designations by the same Participant, shall be in a form prescribed by the Company, and will be effective only when filed by the Participant in writing with the Company during the Participantâ€™s lifetime. If a married Participant designates a beneficiary other than the Participantâ€™s spouse, the effectiveness of such designation may be subject to the consent of the Participantâ€™s spouse. If a Participant dies without an effective designation of a beneficiary who is living at the time of the Participantâ€™s death, the Company will pay any remaining unpaid benefits to the Participantâ€™s legal representative. 18.10 Severability. If any one or more of the provisions (or any part thereof) of this Plan shall be held invalid, illegal or unenforceable in any respect, such provision shall be modified so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions (or any part thereof) of the Plan shall not in any way be affected or impaired thereby. 18.11 No Constraint on Corporate Action. Nothing in this Plan shall be construed to: (a) limit, impair, or otherwise affect the Companyâ€™s or another Participating Companyâ€™s right or power to make adjustments, reclassifications, reorganizations, or changes of its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell, or transfer all or any part of its business or assets; or (b) limit the right or power of the Company or another Participating Company to take any action which such entity deems to be necessary or appropriate. 18.12 Unfunded Obligation. Participants shall have the status of general unsecured creditors of the Company. Any amounts payable to Participants pursuant to the Plan shall be considered unfunded and unsecured obligations for all purposes, including, without limitation, Title I of the Employee Retirement Income Security Act of 1974. No Participating Company shall be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company shall retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or maintenance of any trust or any Participant account shall not create or constitute a trust or fiduciary relationship between the Committee or any Participating Company and a Participant, or otherwise create any vested or beneficial interest in any Participant or the Participantâ€™s creditors in any assets of any Participating Company. The Participants shall have no claim against any Participating Company for any changes in the value of any assets which may be invested or reinvested by the Company with respect to the Plan. 18.13 Choice of Law. Except to the extent governed by applicable federal law, the validity, interpretation, construction and performance of the Plan and each Award Agreement shall be governed by the laws of the State of California, without regard to its conflict of law rules Â Â EX-19.1 4 ex191_insidertradingpoli.htm EX-19.1 ex191_insidertradingpoli !"#$%$&"!'()*!+,-./012#'&*3#4&$56#5789:-./012;<=>2=*7/?@A=* >BC-/D&E&$,F GF F/1D#HI&$*)JKL!#H#'&*MH!+#$ 7N2/802@BO8@2@@P=* QR#"!+&$# QR&$S#54*&+#QR#"!+&!" QR#"!+&$#R#"!+&!"($)'$&6 TRR(U QM5L#$VVVVVVVVVVVVVVVVVVW XY7>%L! ()*!+,J& "##*)4#"5)4$)!"#,)EJ!5L&)#$!#J)H5L#6) 5 !'!H!+&5&

~~No definition available.~~

~~+ Details~~
~~Name:dei_CityAreaCode Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Cover page.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_CoverAbstract Namespace Prefix:dei_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~End date of current fiscal year in the format --MM-DD.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_CurrentFiscalYearEndDate Namespace Prefix:dei_ Data Type:xbrli:gMonthDayItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Boolean flag that is true only for a form used as an annual report.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~
~~Name:dei_DocumentAnnualReport Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicates whether any of the financial statement period in the filing include a restatement due to error correction.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Regulation S-K -Number 229 -Section 402 -Subsection wReference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 4: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~
~~Name:dei_DocumentFinStmtErrorCorrectionFlag Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Fiscal period values are FY, Q1, Q2, and Q3. 1st, 2nd and 3rd quarter 10-Q or 10-QT statements have value Q1, Q2, and Q3 respectively, with 10-K, 10-KT or other fiscal year statements having FY.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentFiscalPeriodFocus Namespace Prefix:dei_ Data Type:dei:fiscalPeriodItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~This is focus fiscal year of the document report in YYYY format. For a 2006 annual report, which may also provide financial information from prior periods, fiscal 2006 should be given as the fiscal year focus. Example: 2006.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentFiscalYearFocus Namespace Prefix:dei_ Data Type:xbrli:gYearItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~For the EDGAR submission types of Form 8-K: the date of the report, the date of the earliest event reported; for the EDGAR submission types of Form N-1A: the filing date; for all other submission types: the end of the reporting or transition period. The format of the date is YYYY-MM-DD.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentPeriodEndDate Namespace Prefix:dei_ Data Type:xbrli:dateItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Boolean flag that is true only for a form used as a transition report.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Forms 10-K, 10-Q, 20-F -Number 240 -Section 13 -Subsection a-1~~

~~+ Details~~
~~Name:dei_DocumentTransitionReport Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The type of document being provided (such as 10-K, 10-Q, 485BPOS, etc). The document type is limited to the same value as the supporting SEC submission type, or the word 'Other'.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_DocumentType Namespace Prefix:dei_ Data Type:dei:submissionTypeItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Documents incorporated by reference.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-23~~

~~+ Details~~
~~Name:dei_DocumentsIncorporatedByReferenceTextBlock Namespace Prefix:dei_ Data Type:dtr-types:textBlockItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Address Line 1 such as Attn, Building Name, Street Name~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityAddressAddressLine1 Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Address Line 2 such as Street or Suite number~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityAddressAddressLine2 Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Name of the City or Town~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityAddressCityOrTown Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Code for the postal or zip code~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityAddressPostalZipCode Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Name of the state or province.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityAddressStateOrProvince Namespace Prefix:dei_ Data Type:dei:stateOrProvinceItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~A unique 10-digit SEC-issued value to identify entities that have filed disclosures with the SEC. It is commonly abbreviated as CIK.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityCentralIndexKey Namespace Prefix:dei_ Data Type:dei:centralIndexKeyItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate number of shares or other units outstanding of each of registrant's classes of capital or common stock or other ownership interests, if and as stated on cover of related periodic report. Where multiple classes or units exist define each class/interest by adding class of stock items such as Common Class A [Member], Common Class B [Member] or Partnership Interest [Member] onto the Instrument [Domain] of the Entity Listings, Instrument.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityCommonStockSharesOutstanding Namespace Prefix:dei_ Data Type:xbrli:sharesItemType Balance Type:na Period Type:instant~~

~~- Definition~~

~~Indicate 'Yes' or 'No' whether registrants (1) have 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 registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. This information should be based on the registrant's current or most recent filing containing the related disclosure.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityCurrentReportingStatus Namespace Prefix:dei_ Data Type:dei:yesNoItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate if registrant meets the emerging growth company criteria.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityEmergingGrowthCompany Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Commission file number. The field allows up to 17 characters. The prefix may contain 1-3 digits, the sequence number may contain 1-8 digits, the optional suffix may contain 1-4 characters, and the fields are separated with a hyphen.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityFileNumber Namespace Prefix:dei_ Data Type:dei:fileNumberItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate whether the registrant is one of the following: Large Accelerated Filer, Accelerated Filer, Non-accelerated Filer. Definitions of these categories are stated in Rule 12b-2 of the Exchange Act. This information should be based on the registrant's current or most recent filing containing the related disclosure.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityFilerCategory Namespace Prefix:dei_ Data Type:dei:filerCategoryItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Two-character EDGAR code representing the state or country of incorporation.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityIncorporationStateCountryCode Namespace Prefix:dei_ Data Type:dei:edgarStateCountryItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Boolean flag that is true when the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Regulation S-T -Number 232 -Section 405~~

~~+ Details~~
~~Name:dei_EntityInteractiveDataCurrent Namespace Prefix:dei_ Data Type:dei:yesNoItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was last sold, or the average bid and asked price of such common equity, as of the last business day of the registrant's most recently completed second fiscal quarter.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityPublicFloat Namespace Prefix:dei_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~The exact name of the entity filing the report as specified in its charter, which is required by forms filed with the SEC.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityRegistrantName Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Boolean flag that is true when the registrant is a shell company as defined in Rule 12b-2 of the Exchange Act.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityShellCompany Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicates that the company is a Smaller Reporting Company (SRC).~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntitySmallBusiness Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The Tax Identification Number (TIN), also known as an Employer Identification Number (EIN), is a unique 9-digit value assigned by the IRS.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b-2~~

~~+ Details~~
~~Name:dei_EntityTaxIdentificationNumber Namespace Prefix:dei_ Data Type:dei:employerIdItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate 'Yes' or 'No' if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_EntityVoluntaryFilers Namespace Prefix:dei_ Data Type:dei:yesNoItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Indicate 'Yes' or 'No' if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Is used on Form Type: 10-K, 10-Q, 8-K, 20-F, 6-K, 10-K/A, 10-Q/A, 20-F/A, 6-K/A, N-CSR, N-Q, N-1A.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Securities Act -Number 230 -Section 405~~

~~+ Details~~
~~Name:dei_EntityWellKnownSeasonedIssuer Namespace Prefix:dei_ Data Type:dei:yesNoItemType Balance Type:na Period Type:duration~~

~~- References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~
~~Name:dei_IcfrAuditorAttestationFlag Namespace Prefix:dei_ Data Type:xbrli:booleanItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Local phone number for entity.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_LocalPhoneNumber Namespace Prefix:dei_ Data Type:xbrli:normalizedStringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Title of a 12(b) registered security.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection b~~

~~+ Details~~
~~Name:dei_Security12bTitle Namespace Prefix:dei_ Data Type:dei:securityTitleItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Name of the Exchange on which a security is registered.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Exchange Act -Number 240 -Section 12 -Subsection d1-1~~

~~+ Details~~
~~Name:dei_SecurityExchangeName Namespace Prefix:dei_ Data Type:dei:edgarExchangeCodeItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Trading symbol of an instrument as listed on an exchange.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:dei_TradingSymbol Namespace Prefix:dei_ Data Type:dei:tradingSymbolItemType Balance Type:na Period Type:duration XML 75 R2.htm IDEA: XBRL DOCUMENT~~
~~Audit Information 12 Months Ended~~
~~Dec. 31, 2024~~
~~Audit Information [Abstract] Auditor NameErnst & Young LLPAuditor LocationLos Angeles, CaliforniaAuditor Firm ID42~~
~~- Definition~~

~~PCAOB issued Audit Firm Identifier~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~
~~Name:dei_AuditorFirmId Namespace Prefix:dei_ Data Type:dei:nonemptySequenceNumberItemType Balance Type:na Period Type:duration~~

~~- References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~
~~Name:dei_AuditorLocation Namespace Prefix:dei_ Data Type:dei:internationalNameItemType Balance Type:na Period Type:duration~~

~~- References~~

~~Reference 1: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 10-K -Number 249 -Section 310Reference 2: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 20-F -Number 249 -Section 220 -Subsection fReference 3: http://www.xbrl.org/2003/role/presentationRef -Publisher SEC -Name Form 40-F -Number 249 -Section 240 -Subsection f~~

~~+ Details~~
~~Name:dei_AuditorName Namespace Prefix:dei_ Data Type:dei:internationalNameItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Audit Information~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:moh_AuditInformationAbstract Namespace Prefix:moh_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration XML 76 R3.htm IDEA: XBRL DOCUMENT~~
~~CONSOLIDATED STATEMENTS OF INCOME - USD ($) shares in Millions, $ in Millions12 Months Ended~~
~~Dec. 31, 2024~~
~~Dec. 31, 2023~~
~~Dec. 31, 2022~~
~~Revenue: Premium revenue$ 38,627$ 32,529$ 30,883Premium tax revenue1,4861,069873Investment income452394143Other revenue858075Total revenue40,65034,07231,974Operating expenses: Medical care costs34,42828,66927,175General and administrative expenses2,7432,4622,311Premium tax expenses1,4861,069873Depreciation and amortization186171176Impairment00208Other10012858Total operating expenses38,94332,49930,801Operating income1,7071,5731,173Interest expense118109110Income before income tax expense1,5891,4641,063Income tax expense410373271Net income$ 1,179$ 1,091$ 792Net income per share: Basic (in dollars per share)$ 20.52$ 18.91$ 13.72Diluted (in dollars per share)$ 20.42$ 18.77 $ 13.55Weighted average shares outstanding: Basic (in shares)57.457.757.8Diluted (in shares)57.758.158.5~~
~~- Definition~~

~~Health Care Organization, Premium Tax Revenue~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:moh_HealthCareOrganizationPremiumTaxRevenue Namespace Prefix:moh_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration~~

~~- Definition~~

~~An assessment levied by a state government on the net premium income collected.~~

~~+ References~~

~~No definition available.~~

~~+ Details~~
~~Name:moh_PremiumTaxExpenses Namespace Prefix:moh_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- Definition~~

~~Amount of write-down of assets recognized in the income statement. Includes, but is not limited to, losses from tangible assets, intangible assets and goodwill.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section 45 -Paragraph 28 -Subparagraph (b) -SubTopic 10 -Topic 230 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482740/230-10-45-28Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Topic 360 -SubTopic 10 -Section 45 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482130/360-10-45-4~~

~~+ Details~~

~~Name:us-gaap_AssetImpairmentCharges Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- Definition~~

~~The aggregate costs related to goods produced and sold and services rendered by an entity during the reporting period. This excludes costs incurred during the reporting period related to financial services rendered and other revenue generating activities.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(2)(d)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(2)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 924 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SAB Topic 11.L) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479941/924-10-S99-1~~

~~+ Details~~

~~Name:us-gaap_CostOfGoodsAndServicesSold Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- Definition~~

~~Total costs of sales and operating expenses for the period.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2~~

~~+ Details~~

~~Name:us-gaap_CostsAndExpenses Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- References~~

~~No definition available.~~

~~+ Details~~

~~Name:us-gaap_CostsAndExpensesAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The current period expense charged against earnings on long-lived, physical assets not used in production, and which are not intended for resale, to allocate or recognize the cost of such assets over their useful lives; or to record the reduction in book value of an intangible asset over the benefit period of such asset; or to reflect consumption during the period of an asset that is not used in production.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section 45 -Paragraph 28 -Subparagraph (b) -SubTopic 10 -Topic 230 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482740/230-10-45-28Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Topic 360 -SubTopic 10 -Section 50 -Paragraph 1 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482099/360-10-50-1~~

~~+ Details~~

~~Name:us-gaap_DepreciationAndAmortization Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- References~~

~~No definition available.~~

~~+ Details~~

~~Name:us-gaap_EarningsPerShareAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The amount of net income (loss) for the period per each share of common stock or unit outstanding during the reporting period.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-6Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 52 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482635/260-10-55-52Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 805 -SubTopic 60 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (g) -Publisher FASB -URI https://asc.fasb.org/1943274/2147476176/805-60-65-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 323 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (g)(3) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478666/740-323-65-2Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-3Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 15 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482635/260-10-55-15Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 815 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (e)(4) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480175/815-40-65-1Reference 8: http://www.xbrl.org/2003/role/disclosureRef -Topic 815 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480175/815-40-65-1Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 11 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-11Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 11 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-11Reference 11: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-7Reference 12: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 2 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-2Reference 13: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 60B -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-60BReference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-4Reference 15: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482662/260-10-50-1Reference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-10Reference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(25)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 18: http://www.xbrl.org/2003/role/disclosureRef -Topic 942 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-04(27)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478524/942-220-S99-1Reference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(23)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 20: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 7 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-7~~

~~+ Details~~

~~Name:us-gaap_EarningsPerShareBasic Namespace Prefix:us-gaap_ Data Type:dtr-types:perShareItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The amount of net income (loss) for the period available to each share of common stock or common unit outstanding during the reporting period and to each share or unit that would have been outstanding assuming the issuance of common shares or units for all dilutive potential common shares or units outstanding during the reporting period.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-6Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 52 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482635/260-10-55-52Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 805 -SubTopic 60 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (g) -Publisher FASB -URI https://asc.fasb.org/1943274/2147476176/805-60-65-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 323 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (g)(3) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478666/740-323-65-2Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-3Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 15 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482635/260-10-55-15Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 815 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (e)(4) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480175/815-40-65-1Reference 8: http://www.xbrl.org/2003/role/disclosureRef -Topic 815 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480175/815-40-65-1Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 11 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-11Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 11 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-11Reference 11: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-7Reference 12: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 2 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-2Reference 13: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 60B -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-60BReference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-4Reference 15: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482662/260-10-50-1Reference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(25)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 942 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-04(27)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478524/942-220-S99-1Reference 18: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(23)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 7 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-7~~

~~+ Details~~

~~Name:us-gaap_EarningsPerShareDiluted Namespace Prefix:us-gaap_ Data Type:dtr-types:perShareItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~The aggregate total of expenses of managing and administering the affairs of an entity, including affiliates of the reporting entity, which are not directly or indirectly associated with the manufacture, sale or creation of a product or product line.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-07(2)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-1~~

~~+ Details~~

~~Name:us-gaap_GeneralAndAdministrativeExpense Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- Definition~~

~~Amount of income (loss) from continuing operations, including income (loss) from equity method investments, before deduction of income tax expense (benefit), and income (loss) attributable to noncontrolling interest.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 22 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-22Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 48 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482785/280-10-55-48Reference 3: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 4: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 30 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-30Reference 5: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 270 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (i) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482964/270-10-50-1Reference 6: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (ee) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 7: http://fasb.org/us-gaap/role/ref/otherTransitionRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 8: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(11)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 9: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 31 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-31Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 942 -SubTopic 235 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-05(b)(2)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477314/942-235-S99-1Reference 11: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(10)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 12: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-04(15)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478524/942-220-S99-1~~

~~*+ Details*~~

~~*Name:us-gaap_IncomeLossFromContinuingOperationsBeforeIncomeTaxesExtraordinaryItemsNoncontrollingInterest Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration*~~

~~*- Definition*~~

~~*Amount of current income tax expense (benefit) and deferred income tax expense (benefit) pertaining to continuing operations.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 270 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (i) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482964/270-10-50-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (ee) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 12 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482685/740-10-50-12Reference 4: http://www.xbrl.org/2003/role/exampleRef -Topic 740 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 231 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482663/740-10-55-231Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 9 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-9Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SAB Topic 6.I.7) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479360/740-10-S99-1Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 8 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-8Reference 8: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482685/740-10-50-10Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 22 -Subparagraph (h) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-22Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(9)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 11: http://www.xbrl.org/2003/role/disclosureRef -Name Accounting Standards Codification -Section 45 -Paragraph 2 -Subparagraph (a) -SubTopic 20 -Topic 740 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482659/740-20-45-2Reference 12: http://www.xbrl.org/2003/role/disclosureRef -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(h)) -SubTopic 10 -Topic 235 -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1*~~

~~+ Details~~

~~Name:us-gaap_IncomeTaxExpenseBenefit Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- Definition~~

~~Amount of interest expense classified as nonoperating.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 22 -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-22Reference 2: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2~~

~~+ Details~~

~~Name:us-gaap_InterestExpenseNonoperating Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- Definition~~

~~The portion of profit or loss for the period, net of income taxes, which is attributable to the parent.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-6Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 9 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-9Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 805 -SubTopic 60 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (g) -Publisher FASB -URI https://asc.fasb.org/1943274/2147476176/805-60-65-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 323 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (g)(3) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478666/740-323-65-2Reference 5: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name 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http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section 45 -Paragraph 7 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479105/946-220-45-7Reference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(18)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 20: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-07(9)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-1Reference 21: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(1)(d)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3Reference 22: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 23: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 24: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 25: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 26: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 27: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 28: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 29: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 30: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 31: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 32: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 60B -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-60BReference 33: http://www.xbrl.org/2003/role/disclosureRef -Topic 205 -SubTopic 20 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483499/205-20-50-7Reference 34: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 230 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 28 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482740/230-10-45-28Reference 35: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1A -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-1AReference 36: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1B -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-1BReference 37: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-04(22)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478524/942-220-S99-1~~

~~*+ Details*~~

~~*Name:us-gaap_NetIncomeLoss Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration*~~

~~*- Definition*~~

~~*Amount, after investment expense, of income earned from investments in securities and real estate. Includes, but is not limited to, real estate investment, policy loans, dividends, and interest. Excludes realized gain (loss) on investments.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-10Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(2)(d)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-07(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(2)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Name Accounting Standards Codification -Section 45 -Paragraph 5 -SubTopic 220 -Topic 946 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479105/946-220-45-5*~~

~~*+ Details*~~

~~*Name:us-gaap_NetInvestmentIncome Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration*~~

~~*- Definition*~~

~~*The net result for the period of deducting operating expenses from operating revenues.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 22 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-22Reference 2: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 3: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 30 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-30Reference 4: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 270 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (i) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482964/270-10-50-1Reference 5: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (ee) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 6: http://fasb.org/us-gaap/role/ref/otherTransitionRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 7: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 31 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-31*~~

~~+ Details~~

~~Name:us-gaap_OperatingIncomeLoss Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration~~

~~- Definition~~

~~The total amount of other operating cost and expense items that are associated with the entity's normal revenue producing operation.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 48 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482785/280-10-55-48Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(3)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(7)(b)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1~~

~~+ Details~~

~~Name:us-gaap_OtherCostAndExpenseOperating Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- Definition~~

~~Amount of revenue and income classified as other.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards Codification -Section S99 -Paragraph 6 -Subparagraph (SX 210.12-14(Column E)(2)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-6Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards Codification -Section S99 -Paragraph 6 -Subparagraph (SX 210.12-14(Column E)(Footnote 4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-6Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 320 -Name Accounting Standards Codification -Section S99 -Paragraph 6 -Subparagraph (SX 210.12-14(Column E)(Footnote 6)(b)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477271/946-320-S99-6Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-07(1)(c)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-1~~

~~+ Details~~

~~Name:us-gaap_OtherIncome Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration~~

~~- Definition~~

~~Amount, after premiums ceded to other entities and premiums assumed by the entity, of premiums earned.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 235 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.12-17(Column E)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477965/944-235-S99-2Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 605 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (c)(3) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479032/944-605-50-1Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-04(13)(c)) -SubTopic 220 -Topic 942 -Publisher FASB -URI https://asc.fasb.org/1943274/2147478524/942-220-S99-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(1)) -SubTopic 220 -Topic 944 -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1~~

~~+ Details~~

~~Name:us-gaap_PremiumsEarnedNet Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration~~

~~- Definition~~

~~Amount of revenue recognized from goods sold, services rendered, insurance premiums, or other activities that constitute an earning process. Includes, but is not limited to, investment and interest income before deduction of interest expense when recognized as a component of revenue, and sales and trading gain (loss).~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 48 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482785/280-10-55-48Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 41 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-41Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 270 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (i) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482964/270-10-50-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (ee) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 5: http://fasb.org/us-gaap/role/ref/otherTransitionRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 6: http://fasb.org/us-gaap/role/ref/otherTransitionRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 8: http://www.xbrl.org/2003/role/disclosureRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 825 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 11: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 12: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 13: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 15: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 18: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 20: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 30 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-30Reference 21: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 42 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-42Reference 22: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 22 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-22Reference 23: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 40 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-40Reference 24: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 22 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-22Reference 25: http://www.xbrl.org/2003/role/disclosureRef -Topic 942 -SubTopic 235 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-05(b)(2)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477314/942-235-S99-1Reference 26: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2~~

~~*+ Details*~~
~~*Name:us-gaap_Revenues Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration*~~

~~*- References*~~

~~*No definition available.*~~

~~*+ Details*~~
~~*Name:us-gaap_RevenuesAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration*~~

~~*- Definition*~~

~~*The average number of shares or units issued and outstanding that are used in calculating diluted EPS or earnings per unit (EPU), determined based on the timing of issuance of shares or units in the period.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482662/260-10-50-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 16 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-16*~~

~~+ Details~~
~~Name:us-gaap_WeightedAverageNumberOfDilutedSharesOutstanding Namespace Prefix:us-gaap_ Data Type:xbrli:sharesItemType Balance Type:na Period Type:duration~~

~~- References~~

~~No definition available.~~

~~+ Details~~
~~Name:us-gaap_WeightedAverageNumberOfSharesOutstandingAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration~~

~~- Definition~~

~~Number of [basic] shares or units, after adjustment for contingently issuable shares or units and other shares or units not deemed outstanding, determined by relating the portion of time within a reporting period that common shares or units have been outstanding to the total time in that period.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482662/260-10-50-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-10~~

~~+ Details~~
~~Name:us-gaap_WeightedAverageNumberOfSharesOutstandingBasic Namespace Prefix:us-gaap_ Data Type:xbrli:sharesItemType Balance Type:na Period Type:duration XML 77 R4.htm IDEA: XBRL DOCUMENT~~
~~CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME - USD ($) $ in Millions12 Months Ended~~
~~Dec. 31, 2024~~
~~Dec. 31, 2023~~
~~Dec. 31, 2022~~
~~Statement of Comprehensive Income [Abstract]   Net income$ 1,179$ 1,091$ 792Other comprehensive income (loss):   Unrealized investment income (loss)33102(204)Less: effect of income taxes824(49)Other comprehensive income (loss), net of tax2578(155)Comprehensive income$ 1,204$ 1,169$ 637~~
~~- Definition~~

~~Amount after tax of increase (decrease) in equity from transactions and other events and circumstances from net income and other comprehensive income, attributable to parent entity. Excludes changes in equity resulting from investments by owners and distributions to owners.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(24)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 942 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-04(26)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478524/942-220-S99-1Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(22)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1A -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-1AReference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1B -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-1BReference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(20)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 7: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Topic 220 -SubTopic 10 -Section 45 -Paragraph 5 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-5~~

~~+ Details~~
~~Name:us-gaap_ComprehensiveIncomeNetOfTax Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration~~

~~- Definition~~

~~The portion of profit or loss for the period, net of income taxes, which is attributable to the parent.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-6Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 9 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-9Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 805 -SubTopic 60 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (g) -Publisher FASB -URI https://asc.fasb.org/1943274/2147476176/805-60-65-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 323 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (g)(3) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478666/740-323-65-2Reference 5: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.5-03(20)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483621/220-10-S99-2Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 8: http://www.xbrl.org/2003/role/disclosureRef -Topic 825 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482765/220-10-50-6Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-3Reference 11: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (b)(2) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-1Reference 12: http://www.xbrl.org/2003/role/disclosureRef -Topic 815 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 1 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480175/815-40-65-1Reference 13: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 8 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-8Reference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 11 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-11Reference 15: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 11 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-11Reference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-4Reference 17: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-10Reference 18: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section 45 -Paragraph~~

7 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479105/946-220-45-7Reference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-04(18)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147477250/944-220-S99-1Reference 20: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-07(9)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-1Reference 21: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(1)(d)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3Reference 22: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 23: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 24: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 25: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 26: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 27: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 28: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 29: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 30: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 31: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 32: http://www.xbrl.org/2003/role/disclosureRef -Topic 260 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 60B -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482689/260-10-45-60BReference 33: http://www.xbrl.org/2003/role/disclosureRef -Topic 205 -SubTopic 20 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483499/205-20-50-7Reference 34: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 230 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 28 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482740/230-10-45-28Reference 35: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1A -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-1AReference 36: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1B -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-1BReference 37: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-04(22)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478524/942-220-S99-1

~~*+ Details*~~

~~*Name:us-gaap_NetIncomeLoss Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration*~~

~~*- Definition*~~

~~*Amount after tax of other comprehensive income (loss) attributable to parent entity.*~~

~~*+ References*~~

~~*Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 19 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481231/810-10-45-19Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section 45 -Paragraph 20 -SubTopic 10 -Topic 810 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481231/810-10-45-20Reference 3: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section 50 -Paragraph 1A -Subparagraph (c)(3) -SubTopic 10 -Topic 810 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-1AReference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 250 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 6 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483443/250-10-50-6Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1B -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-1BReference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1A -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-1A*~~

~~*+ Details*~~

~~*Name:us-gaap_OtherComprehensiveIncomeLossNetOfTaxPortionAttributableToParent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration*~~

~~*- References*~~

~~*No definition available.*~~

~~*+ Details*~~

~~*Name:us-gaap_OtherComprehensiveIncomeLossNetOfTaxPortionAttributableToParentAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration*~~

~~*- Definition*~~

~~*Amount, before tax and adjustment, of unrealized holding gain (loss) on investment in debt security measured at fair value with change in fair value recognized in other comprehensive income (available-for-sale). Excludes unrealized gain (loss) on investment in debt security measured at amortized cost (held-to-maturity) from transfer to available-for-sale.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 320 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 9 -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481800/320-10-50-9Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 10A -Subparagraph (e) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-10AReference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 11 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-11*~~

~~+ Details~~

~~Name:us-gaap_OtherComprehensiveIncomeUnrealizedHoldingGainLossOnSecuritiesArisingDuringPeriodBeforeTax Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:duration~~

~~- Definition~~

~~Amount, before adjustment, of tax expense (benefit) for unrealized holding gain (loss) on investment in debt security measured at fair value with change in fair value recognized in other comprehensive income (available-for-sale). Excludes tax expense (benefit) for unrealized gain (loss) on investment in debt security measured at amortized cost (held-to-maturity) from transfer to available-for-sale.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section 45 -Paragraph 12 -SubTopic 10 -Topic 220 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-12Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 10A -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-10A~~

~~+ Details~~

~~Name:us-gaap_OtherComprehensiveIncomeUnrealizedHoldingGainLossOnSecuritiesArisingDuringPeriodTax Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:duration~~

~~- References~~

~~No definition available.~~

~~+ Details~~

~~Name:us-gaap_StatementOfIncomeAndComprehensiveIncomeAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration XML 78 R5.htm IDEA: XBRL DOCUMENT~~
~~CONSOLIDATED BALANCE SHEETS - USD ($) $ in MillionsDec. 31, 2024Dec. 31, 2023Current assets: Cash and cash equivalents$ 4,662$ 4,848Investments4,3254,259Receivables3,2993,104Prepaid expenses and other current assets487331Total current assets12,77312,542Property, equipment, and capitalized software, net288270Goodwill and intangible assets, net1,9381,449Restricted investments286261Deferred income taxes, net207227Other assets138143Total assets15,63014,892Current liabilities: Medical claims and benefits payable4,6404,204Amounts due government agencies1,8742,294Accounts payable, accrued liabilities and other1,3311,252Deferred revenue51418Total current liabilities7,8968,168Long-term debt2,9232,180Finance lease liabilities195205Other long-term liabilities120124Total liabilities11,13410,677Stockholders’ equity: Common stock, $0.001 par value per share; 150 million shares authorized; outstanding: 56 million shares at December 31, 2024, and 58 million at December 31, 202300Preferred stock, $0.001 par value per share; 20 million shares authorized, no shares issued and outstanding00Additional paid-in capital462410Accumulated other comprehensive loss(57)(82)Retained earnings4,0913,887Total stockholders’ equity4,4964,215Total liabilities and stockholders’ equity$ 15,630$ 14,892~~

~~- Definition~~

~~Medical Premium Liability Due to Agency~~

~~+ References~~

~~No definition available.~~

~~+ Details~~

~~Name:moh_MedicalPremiumLiabilityDueToAgency Namespace Prefix:moh_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Sum of the carrying values as of the balance sheet date of obligations incurred through that date and due within one year (or the operating cycle, if longer), including liabilities incurred (and for which invoices have typically been received) and payable to vendors for goods and services received, taxes, interest, rent and utilities, accrued salaries and bonuses, payroll taxes and fringe benefits.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(20)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(19)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1~~

~~+ Details~~

~~Name:us-gaap_AccountsPayableAndAccruedLiabilitiesCurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount, after tax, of accumulated increase (decrease) in equity from transaction and other event and circumstance from nonowner source.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Topic 220 -SubTopic 10 -Section 45 -Paragraph 14A -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-14AReference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 220 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 11 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-11Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (g)(2)(ii) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480016/944-40-65-2Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (h)(2) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480016/944-40-65-2Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(30)(a)(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(23)(a)(3)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 7: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Topic 220 -SubTopic 10 -Section 45 -Paragraph 14 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482790/220-10-45-14~~

~~+ Details~~

~~Name:us-gaap_AccumulatedOtherComprehensiveIncomeLossNetOfTax Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Value received from shareholders in common stock-related transactions that are in excess of par value or stated value and amounts received from other stock-related transactions. Includes only common stock transactions (excludes preferred stock transactions). May be called contributed capital, capital in excess of par, capital surplus, or paid-in capital.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(30)(a)(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1~~

~~+ Details~~

~~Name:us-gaap_AdditionalPaidInCapitalCommonStock Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount of asset recognized for present right to economic benefit.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 48 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482785/280-10-55-48Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 49 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482785/280-10-55-49Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 270 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Subparagraph (i) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482964/270-10-50-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (ee) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 5: http://fasb.org/us-gaap/role/ref/otherTransitionRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 32 -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-32Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 22 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-22Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (bb) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-3Reference 8: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 25 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481231/810-10-45-25Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 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https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(12)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 15: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(8)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(18)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 18: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 19: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 20: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 21: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting 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http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 26: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 27: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 28: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481404/852-10-50-7Reference 29: http://www.xbrl.org/2003/role/disclosureRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 30 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-30Reference 30: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(11)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1~~

+ Details

Name:us-gaap_Assets Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant

- Definition

Amount of asset recognized for present right to economic benefit, classified as current.

+ References

Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (bb) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-3Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 25 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481231/810-10-45-25Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 5: 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http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 15: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 18: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 20: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481404/852-10-50-7

~~*+ Details*~~
~~*Name:us-gaap_AssetsCurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant*~~

~~*- References*~~

~~*No definition available.*~~

~~*+ Details*~~
~~*Name:us-gaap_AssetsCurrentAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration*~~

~~*- Definition*~~

~~*Amount of currency on hand as well as demand deposits with banks or financial institutions. Includes other kinds of accounts that have the general characteristics of demand deposits. Also includes short-term, highly liquid investments that are both readily convertible to known amounts of cash and so near their maturity that they present insignificant risk of changes in value because of changes in interest rates. Excludes cash and cash equivalents within disposal group and discontinued operation.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147483467/210-10-45-1Reference 3: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Topic 230 -SubTopic 10 -Section 45 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482740/230-10-45-4*~~

~~+ Details~~

~~Name:us-gaap_CashAndCashEquivalentsAtCarryingValue Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Value of common shares held by shareholders. Excludes common shares repurchased and held as treasury shares.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(29)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(16)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1~~

~~+ Details~~

~~Name:us-gaap_CommonStockValueOutstanding Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount of obligation to transfer good or service to customer for which consideration has been received or is receivable, classified as current.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 606 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 1 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479837/606-10-45-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 606 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 8 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479806/606-10-50-8Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 606 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 2 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479837/606-10-45-2~~

~~+ Details~~

~~Name:us-gaap_ContractWithCustomerLiabilityCurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount, after allocation of valuation allowances and deferred tax liability, of deferred tax asset attributable to deductible differences and carryforwards, with jurisdictional netting.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482525/740-10-45-4Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 740 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 6 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482525/740-10-45-6~~

~~+ Details~~

~~Name:us-gaap_DeferredIncomeTaxAssetsNet Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Present value of lessee's discounted obligation for lease payments from finance lease, classified as noncurrent.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 842 -SubTopic 20 -Name Accounting Standards Codification -Section 45 -Paragraph 1 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479041/842-20-45-1~~

~~+ Details~~

~~Name:us-gaap_FinanceLeaseLiabilityNoncurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount, after impairment and amortization, of goodwill, indefinite-lived, and finite-lived intangible assets.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 350 -SubTopic 10 -Name Accounting Standards Codification -Section S45 -Paragraph 1 -Publisher FASB -URI https://asc.fasb.org/1943274/2147480265/350-10-S45-1~~

~~+ Details~~

~~Name:us-gaap_IntangibleAssetsNetIncludingGoodwill Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Amount of liability recognized for present obligation requiring transfer or otherwise providing economic benefit to others.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(22)) -SubTopic 10 -Topic 210 -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(20)) -~~

Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 3: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(24)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 4: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(19)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 5: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(25)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 6: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 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-Publisher FASB -URI https://asc.fasb.org/1943274/2147481231/810-10-45-25Reference 11: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (bb) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-3Reference 12: http://www.xbrl.org/2003/role/disclosureRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 13: http://www.xbrl.org/2003/role/disclosureRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 825 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 15: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 12 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(14)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 18: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 20: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 21: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 22: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 23: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 24: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 25: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 26: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 27: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481404/852-10-50-7Reference 28: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481404/852-10-50-7Reference 29: http://www.xbrl.org/2003/role/exampleRef -Topic 280 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 30 -Subparagraph (d) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482810/280-10-50-30

~~+ Details~~

~~Name:us-gaap_Liabilities Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount of liabilities and equity items, including the portion of equity attributable to noncontrolling interests, if any.~~

~~*Amount of liabilities and equity items, including the portion of equity attributable to noncontrolling interests, if any.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(25)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 3: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 4: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 5: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 825 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 6: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 942 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.9-03(23)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478546/942-210-S99-1Reference 7: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(32)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1*~~

~~*+ Details*~~
~~*Name:us-gaap_LiabilitiesAndStockholdersEquity Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Total obligations incurred as part of normal operations that are expected to be paid during the following twelve months or within one business cycle, if longer.*~~

~~*+ References*~~

~~*Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(21)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-3Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 25 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481231/810-10-45-25Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 810 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (bb) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481203/810-10-50-3Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 825 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 8: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section 45 -Paragraph 5 -Publisher FASB -URI https://asc.fasb.org/1943274/2147483467/210-10-45-5Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 11: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 12: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 13: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 14: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1A -Subparagraph (SX 210.13-01(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1AReference 15: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(i)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 16: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(A)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 17: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iii)(B)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 18: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(4)(iv)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 19: http://www.xbrl.org/2003/role/disclosureRef -Topic 470 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1B -Subparagraph (SX 210.13-02(a)(5)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480097/470-10-S99-1BReference 20: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481404/852-10-50-7Reference 21: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 7 -Subparagraph (b) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481404/852-10-50-7*~~

~~+ Details~~

~~Name:us-gaap_LiabilitiesCurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- References~~

~~*No definition available.*~~

~~*+ Details*~~
~~*Name:us-gaap_LiabilitiesCurrentAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration*~~

~~*- Definition*~~

~~*The amount needed to reflect the estimated ultimate cost of settling claims relating to insured events that have occurred on or before the balance sheet date, whether or not reported to the insurer at that date.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 55 -Paragraph 7 -Publisher FASB -URI https://asc.fasb.org/1943274/2147480046/944-40-55-7Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 55 -Paragraph 9E -Publisher FASB -URI https://asc.fasb.org/1943274/2147480046/944-40-55-9EReference 3: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (cc) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480081/944-40-50-3Reference 4: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(13)(a)(1)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1*~~

~~*+ Details*~~
~~*Name:us-gaap_LiabilityForClaimsAndClaimsAdjustmentExpense Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Amount, after deduction of unamortized premium (discount) and debt issuance cost, of long-term debt classified as noncurrent. Excludes lease obligation.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(22)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1*~~

~~*+ Details*~~
~~*Name:us-gaap_LongTermDebtNoncurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Amount of investment in marketable security, classified as current.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(2)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1*~~

~~*+ Details*~~
~~*Name:us-gaap_MarketableSecuritiesCurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant*~~

~~*- Definition*~~

~~*Amount of noncurrent assets classified as other.*~~

~~*+ References*~~

~~*Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(17)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1*~~

~~*+ Details*~~
~~*Name:us-gaap_OtherAssetsNoncurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant*~~

~~*- Definition*~~

~~*Amount of liabilities classified as other, due after one year or the normal operating cycle, if longer.*~~

~~*+ References*~~

~~*Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(24)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1*~~

~~*+ Details*~~
~~*Name:us-gaap_OtherLiabilitiesNoncurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant*~~

~~*- Definition*~~

~~*Aggregate par or stated value of issued nonredeemable preferred stock (or preferred stock redeemable solely at the option of the issuer). This item includes treasury stock repurchased by the entity. Note: elements for number of nonredeemable preferred shares, par value and other disclosure concepts are in another section within stockholders' equity.*~~

~~*+ References*~~

~~*Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(28)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(21)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1*~~

~~+ Details~~
~~Name:us-gaap_PreferredStockValue Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- Definition~~

~~Amount of asset related to consideration paid in advance for costs that provide economic benefits in future periods, and amount of other assets that are expected to be realized or consumed within one year or the normal operating cycle, if longer.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(9)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1~~

~~+ Details~~
~~Name:us-gaap_PrepaidExpenseAndOtherAssetsCurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Amount, after accumulated depreciation and amortization, of property, plant, and equipment and finance lease right-of-use asset.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 360 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 1 -Publisher FASB -URI https://asc.fasb.org/1943274/2147482099/360-10-50-1Reference 2: http://www.xbrl.org/2009/role/commonPracticeRef -Name Accounting Standards Codification -Section 50 -Paragraph 4 -Subparagraph (a) -SubTopic 20 -Topic 842 -Publisher FASB -URI https://asc.fasb.org/1943274/2147478964/842-20-50-4~~

~~+ Details~~
~~Name:us-gaap_PropertyPlantAndEquipmentAndFinanceLeaseRightOfUseAssetAfterAccumulatedDepreciationAndAmortization Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~The total amount due to the entity within one year of the balance sheet date (or one operating cycle, if longer) from outside sources, including trade accounts receivable, notes and loans receivable, as well as any other types of receivables, net of allowances established for the purpose of reducing such receivables to an amount that approximates their net realizable value.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10~~

~~+ Details~~
~~Name:us-gaap_ReceivablesNetCurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~This element represents the noncurrent portion of investments which are not defined as or included in marketable (debt, equity, or other) securities that are pledged or subject to withdrawal restrictions.~~

~~+ References~~

~~Reference 1: http://www.xbrl.org/2003/role/disclosureRef -Topic 954 -SubTopic 210 -Name Accounting Standards Codification -Section 45 -Paragraph 4 -Publisher FASB -URI https://asc.fasb.org/1943274/2147477220/954-210-45-4Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 954 -SubTopic 210 -Name Accounting Standards Codification -Section 50 -Paragraph 2 -Publisher FASB -URI https://asc.fasb.org/1943274/2147478600/954-210-50-2~~

~~+ Details~~
~~Name:us-gaap_RestrictedInvestmentsNoncurrent Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:debit Period Type:instant~~

~~- Definition~~

~~Amount of accumulated undistributed earnings (deficit).~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(30)(a)(3)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (g)(2)(i) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480016/944-40-65-2Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 40 -Name Accounting Standards Codification -Section 65 -Paragraph 2 -Subparagraph (h)(2) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480016/944-40-65-2Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 20 -Name Accounting Standards Codification -Section 50 -Paragraph 11 -Publisher FASB -URI https://asc.fasb.org/1943274/2147480990/946-20-50-11Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 944 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.7-03(a)(23)(a)(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147478777/944-210-S99-1Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(17)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 8: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 505 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.3-04) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480008/505-10-S99-1~~

+ Details

Name:us-gaap_RetainedEarningsAccumulatedDeficit Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant

- Definition

Amount of equity (deficit) attributable to parent. Excludes temporary equity and equity attributable to noncontrolling interest.

+ References

Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(29)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(30)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 3: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(31)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 4: http://www.xbrl.org/2003/role/exampleRef -Topic 852 -SubTopic 10 -Name Accounting Standards Codification -Section 55 -Paragraph 10 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481372/852-10-55-10Reference 5: http://www.xbrl.org/2003/role/exampleRef -Topic 946 -SubTopic 830 -Name Accounting Standards Codification -Section 55 -Paragraph 12 -Publisher FASB -URI https://asc.fasb.org/1943274/2147479168/946-830-55-12Reference 6: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(19)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 7: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.6-05(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-2Reference 8: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(4)(b)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3Reference 9: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(6)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3Reference 10: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(7)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3Reference 11: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 235 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.4-08(g)(1)(ii)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480678/235-10-S99-1Reference 12: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 323 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 3 -Subparagraph (c) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481687/323-10-50-3Reference 13: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 825 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 28 -Subparagraph (f) -Publisher FASB -URI https://asc.fasb.org/1943274/2147482907/825-10-50-28Reference 14: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 310 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SAB Topic 4.E) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480418/310-10-S99-2

~~+ Details~~

~~Name:us-gaap_StockholdersEquity Namespace Prefix:us-gaap_ Data Type:xbrli:monetaryItemType Balance Type:credit Period Type:instant~~

~~- References~~

~~No definition available.~~

~~+ Details~~

~~Name:us-gaap_StockholdersEquityAbstract Namespace Prefix:us-gaap_ Data Type:xbrli:stringItemType Balance Type:na Period Type:duration XML 79 R6.htm IDEA: XBRL DOCUMENT CONSOLIDATED BALANCE SHEETS (Parenthetical) - $ / sharesDec. 31, 2024Dec. 31, 2023Statement of Financial Position [Abstract] Common stock, par value (in dollars per share)$ 0.001$ 0.001Common stock, shares authorized (in shares) 150,000,000150,000,000Common stock, shares, outstanding (in shares)56,000,00058,000,000Preferred stock, par value (in dollars per share)$ 0.001$ 0.001Preferred stock, shares authorized (in shares)20,000,00020,000,000Preferred stock, shares issued (in shares)00Preferred stock, shares outstanding (in shares)00~~

~~- Definition~~

~~Face amount or stated value per share of common stock.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(29)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1~~

~~+ Details~~

~~Name:us-gaap_CommonStockParOrStatedValuePerShare Namespace Prefix:us-gaap_ Data Type:dtr-types:perShareItemType Balance Type:na Period Type:instant~~

~~- Definition~~

~~The maximum number of common shares permitted to be issued by an entity's charter and bylaws.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(29)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(16)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1~~

~~+ Details~~

~~Name:us-gaap_CommonStockSharesAuthorized Namespace Prefix:us-gaap_ Data Type:xbrli:sharesItemType Balance Type:na Period Type:instant~~

~~- Definition~~

~~Number of shares of common stock outstanding. Common stock represent the ownership interest in a corporation.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Name Accounting Standards Codification -Section 50 -Paragraph 2 -SubTopic 10 -Topic 505 -Publisher FASB -URI https://asc.fasb.org/1943274/2147481112/505-10-50-2Reference 2: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(29)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 3: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.6-05(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-2Reference 4: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(4)(b)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3Reference 5: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(16)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 6: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(7)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3~~

~~+ Details~~
~~Name:us-gaap_CommonStockSharesOutstanding Namespace Prefix:us-gaap_ Data Type:xbrli:sharesItemType Balance Type:na Period Type:instant~~

~~- Definition~~

~~Face amount or stated value per share of preferred stock nonredeemable or redeemable solely at the option of the issuer.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(28)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 505 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 13 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481112/505-10-50-13~~

~~+ Details~~
~~Name:us-gaap_PreferredStockParOrStatedValuePerShare Namespace Prefix:us-gaap_ Data Type:dtr-types:perShareItemType Balance Type:na Period Type:instant~~

~~- Definition~~

~~The maximum number of nonredeemable preferred shares (or preferred stock redeemable solely at the option of the issuer) permitted to be issued by an entity's charter and bylaws.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(28)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(16)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1~~

~~+ Details~~
~~Name:us-gaap_PreferredStockSharesAuthorized Namespace Prefix:us-gaap_ Data Type:xbrli:sharesItemType Balance Type:na Period Type:instant~~

~~- Definition~~

~~Number of shares issued for nonredeemable preferred shares and preferred shares redeemable solely at option of issuer. Includes, but is not limited to, preferred shares issued, repurchased, and held as treasury shares. Excludes preferred shares classified as debt.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(28)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 505 -SubTopic 10 -Name Accounting Standards Codification -Section 50 -Paragraph 13 -Subparagraph (a) -Publisher FASB -URI https://asc.fasb.org/1943274/2147481112/505-10-50-13~~

~~+ Details~~
~~Name:us-gaap_PreferredStockSharesIssued Namespace Prefix:us-gaap_ Data Type:xbrli:sharesItemType Balance Type:na Period Type:instant~~

~~- Definition~~

~~Aggregate share number for all nonredeemable preferred stock (or preferred stock redeemable solely at the option of the issuer) held by stockholders. Does not include preferred shares that have been repurchased.~~

~~+ References~~

~~Reference 1: http://fasb.org/us-gaap/role/ref/legacyRef -Topic 210 -SubTopic 10 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.5-02(28)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147480566/210-10-S99-1Reference 2: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 2 -Subparagraph (SX 210.6-05(4)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-2Reference 3: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(4)(b)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3Reference 4: http://www.xbrl.org/2003/role/disclosureRef -Topic 946 -SubTopic 210 -Name Accounting Standards Codification -Section S99 -Paragraph 1 -Subparagraph (SX 210.6-04(16)(a)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479170/946-210-S99-1Reference 5: http://www.xbrl.org/2009/role/commonPracticeRef -Topic 946 -SubTopic 220 -Name Accounting Standards Codification -Section S99 -Paragraph 3 -Subparagraph (SX 210.6-09(7)) -Publisher FASB -URI https://asc.fasb.org/1943274/2147479134/946-220-S99-3~~