

## Molina Healthcare, Inc.

U.S. Securities Litigation

**Molina Healthcare, Inc. (NYSE: MOH):** Molina Healthcare, Inc. (“Molina” or the “Company”) and certain of the Company’s senior executives have been sued for violations of the federal securities laws. The complaint asserts claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 on behalf of investors in Molina securities. The case is pending in the U.S. District Court for the Central District of California and is captioned: *Hindlemann v. Molina Healthcare, Inc., et al.*, No. 25-cv-9461.

***If you incurred losses on your investments in Molina, you are encouraged to submit your information.***

### **Why Was Molina Sued for Securities Fraud?**

Molina is a health insurance company that provides managed healthcare services to low-income individuals under Medicaid and Medicare programs, and through the state insurance marketplaces.

On February 5, 2025, Molina issued full year 2025 guidance of “at least \$24.50 per diluted share” and stated that the Company’s “earnings growth profile” was “solid heading into 2025.” On February 11, 2025, Molina discussed its “utilization management” strategies, and told investors that the Company “continuously monitor[ed] utilization patterns” and assured investors the Company was able to “mitigate the negative effects of healthcare cost inflation.”

In truth, as alleged, Molina faced increased medical costs pressures that it could not mitigate due to increased utilization in all three of its business lines.

### **The Stock Declines as the Truth Is Revealed**

On July 7, 2025, Molina revealed that its Q2 2025 adjusted earnings were approximately

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\$5.50 per share, which was “below its prior expectations” due to “medical cost pressures in all three lines of business.” The Company announced it “expects these medical cost pressures to continue into the second half of the year” and cut guidance for expected adjusted earnings per share by 10.2% at the midpoint to a “range of \$21.50 to \$22.50 per share.” Molina also revealed it was experiencing purported “short-term earnings pressure” from a “dislocation between premium rates and medical cost trend[s] which has recently accelerated.” On this news, the price of Molina stock fell \$6.97 per share, or 2.9%, from \$239.58 per share on July 3, 2025, to \$232.61 per share on July 7, 2025, the next trading day.

Then, on July 23, 2025, Molina revealed that it “now expects its full year 2025 adjusted earnings to be no less than \$19.00 per diluted share.” This represented another 13.6% cut to earnings per share guidance, from the guidance cut announced less than two weeks earlier. Molina stated this was due to a “challenging medical cost trend environment,” including increased “utilization of behavioral health, pharmacy, and inpatient and outpatient services.” On this news, the price of Molina stock fell \$32.03 per share, or 16.8%, from \$190.25 per share on July 23, 2025, to \$158.22 per share on July 24, 2025.

### **What Are My Rights?**

If you purchased or otherwise acquired Molina securities, you may ask the Court no later than December 2, 2025, which is the first business day after 60 days from the date of publication of the notice of pendency, to appoint you as Lead Plaintiff through counsel of your choice. To be a member of the Class, you need not take any action at this time. The ability to share in any potential future recovery is not dependent on serving as Lead Plaintiff.

### **Contact Us**

***If you incurred losses on your investments in Molina, you are encouraged to submit your information using the form on this page to speak with an attorney about your rights.***

You can also contact:

Ross Shikowitz

[ross@bfalaw.com](mailto:ross@bfalaw.com)

212.789.3619

All representation is on a contingency fee basis. Shareholders are not responsible for any court costs or expenses of litigation. The firm will seek court approval for any potential fees and expenses.

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## **Why Bleichmar Fonti & Auld LLP?**

BFA is a leading international law firm representing plaintiffs in securities class actions and shareholder litigation. It has been named a top plaintiff law firm by *Chambers USA*, *The Legal 500*, and *ISS SCAS*, and its attorneys have been named “Elite Trial Lawyers” by the *National Law Journal*, among the top “500 Leading Plaintiff Financial Lawyers” by *Lawdragon*, “Titans of the Plaintiffs’ Bar” by *Law360* and “SuperLawyers” by Thomson Reuters. Among its recent notable successes, BFA recovered over \$900 million in value from Tesla, Inc.’s Board of Directors, as well as \$420 million from Teva Pharmaceutical Ind. Ltd.

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