

MAGELLAN HEALTH SERVICES INC

Form 4

May 18, 2006

FORM 4**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

Check this box
if no longer
subject to
Section 16.
Form 4 or
Form 5
obligations
may continue.
See Instruction
1(b).

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF
SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section
30(h) of the Investment Company Act of 1940

OMB APPROVAL

OMB
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(Print or Type Responses)

1. Name and Address of Reporting Person *
WISE ALLEN F

2. Issuer Name **and** Ticker or Trading
Symbol
**MAGELLAN HEALTH SERVICES
INC [MGLN]**

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

(Last) (First) (Middle)
**6705 ROCKLEDGE DRIVE, STE
900**

3. Date of Earliest Transaction
(Month/Day/Year)
05/16/2006

☒ Director ☐ 10% Owner
☐ Officer (give title below) ☐ Other (specify below)

(Street)
BETHESDA, MD 20817

4. If Amendment, Date Original
Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
Applicable Line)
☒ Form filed by One Reporting Person
☐ Form filed by More than One Reporting
Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Ordinary Common Stock, \$0.01 par value ⁽¹⁾	05/16/2006		A		750 ⁽²⁾	A	\$ 0 750
						D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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information contained in this form are not
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(9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
Stock Option (right to buy)	\$ 40.21	05/16/2006 ⁽³⁾		A	5,856	05/16/2007 ⁽⁴⁾ 05/16/2016	Common Stock 5,856

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
WISE ALLEN F 6705 ROCKLEDGE DRIVE, STE 900 BETHESDA, MD 20817	X

Signatures

/s/ Allen F. Wise 05/17/2006

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) The restricted shares were granted pursuant to the 2006 Director Equity Compensation Plan approved by the shareholders of the Issuer on May 16, 2006.
- (2) Shares shall vest fully in one year from the date of grant.
The option grant was made pursuant 2006 Director Equity Compensation Plan approved by the shareholders of the Issuer on May 16.
- (3) 2006. As per the plan, the exercise price of the options was the fair market value on the date of grant determined by using the average of the opening and closing price of the Issuer's Ordinary Common Stock on NASDAQ on May 16, 2006.
- (4) Options vest and become exercisable one year from the date of grant.
- (5) Not applicable.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.
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