

MAGELLAN HEALTH SERVICES INC

Form 4

June 06, 2006

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

OMB APPROVAL

OMB
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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
DEMILIO MARK S2. 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)

55 NOD ROAD

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
06/02/2006____ Director ____ 10% Owner
____X____ Officer (give title ____ Other (specify
below) below)

Chief Financial Officer

AVON, CT 06001

4. If Amendment, Date Original
Filed(Month/Day/Year)6. Individual or Joint/Group Filing(Check
Applicable Line)
____X____ 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. Transaction 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 Ownership (Instr. 4)
Ordinary Common Stock, \$0.01 par value	06/02/2006		X ⁽¹⁾	3,700 A	\$ 34.57 11,035 ⁽²⁾	D	
Ordinary Common Stock, \$0.01 par value	06/02/2006		S ⁽¹⁾	2,100 D	\$ 42 8,935	D	
Ordinary Common	06/02/2006		S ⁽¹⁾	100 D	\$ 42.03 8,835	D	

Stock,
\$0.01 par
value

Ordinary
Common

Stock, 06/02/2006
\$0.01 par
value

S⁽¹⁾ 1,500 D \$ 42.04 7,335 D

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

SEC 1474
(9-02)

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 Acquired (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)	8. D S (I
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 34.57	06/02/2006		X ⁽¹⁾	3,700	03/10/2006	03/10/2015	Common Stock	3,700

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

DEMILIO MARK S
55 NOD ROAD
AVON, CT 06001

Chief Financial Officer

Signatures

/s/ Mark S

Demilio

06/06/2006

Date

Signature of
Reporting Person

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) This transaction was effectuated pursuant to a Rule 10b-5-1 plan and, accordingly, not on a discretionary basis by the reporting person.
- (2) Balance reflects 7,335 shares of restricted stock owned prior to reported transaction.
- (3) No price was applicable to the acquisition of this security.
- (4) Of the remainder of 75,600 options in this tranche, 16,125 have vested and are currently exercisable. The balance of 59,475 options will vest in one-third increments on March 10 of each of 2007, 2008 and 2009.

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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