

DIAMOND HARRIS
Form 4
January 17, 2007

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 *
DIAMOND HARRIS

(Last) (First) (Middle)

**211 COMMERCE STREET, SUITE
800**

(Street)

NASHVILLE, TN 37201

(City) (State) (Zip)

2. Issuer Name **and** Ticker or Trading
Symbol
CAREMARK RX INC [CMX]

3. Date of Earliest Transaction
(Month/Day/Year)
01/15/2007

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

5. Relationship of Reporting Person(s) to
Issuer

(Check all applicable)

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

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

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 Indirect Beneficial Ownership (Instr. 4)
			Code	V Amount (D) Price			

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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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	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8)	Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 25.14								01/02/2004 ⁽¹⁾	01/02/2014	Common Stock, par value \$.001	25,000
Stock Option	\$ 12.25								01/12/2001 ⁽¹⁾	01/12/2011	Common Stock, par value \$.001	5,000
Stock Option	\$ 15.8								01/02/2002 ⁽¹⁾	01/02/2012	Common Stock, par value \$.001	25,000
Stock Option	\$ 17.2								02/25/2003 ⁽¹⁾	02/25/2013	Common Stock, par value \$.001	25,000
Stock Option	\$ 37.92								03/01/2006 ⁽³⁾	03/01/2015	Common Stock, par value \$.001	18,000
Stock Option	\$ 50.84								03/01/2007 ⁽³⁾	03/01/2016	Common Stock, par value \$.001	18,000
Stock Units	⁽²⁾	01/15/2007			A		18.908 ⁽⁴⁾		⁽²⁾	⁽²⁾	Common Stock, par value \$.001	18.908

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DIAMOND HARRIS 211 COMMERCE STREET SUITE 800 NASHVILLE, TN 37201	X			

Signatures

/s/ Harris
Diamond

01/17/2007

 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) 34% of these options are exercisable on the grant date, and 33% are exercisable on each of the 1st and 2nd anniversaries of the grant date.
These stock units were accrued under the Caremark Rx, Inc. Director Deferred Compensation Plan, pursuant to which the reporting person has deferred an annual retainer and/or meeting fees. The reporting person may elect payment of the stock units in the form of a lump sum payment of Caremark Rx, Inc. common stock no earlier than 4 years after the last day of the calendar year in which the compensation attributable to the stock unit was deferred. Payment will be made within a reasonably practicable period of time following the earlier of a change of control (as defined in the plan) or the cessation of the reporting person's status as a non-employee member of Caremark Rx, Inc.'s Board of Directors.
- (3) Option vests in five equal annual installments beginning on the "Date Exercisable" above.
- (4) These stock units were accrued pursuant to a dividend adjustment provision of the Director Deferred Compensation Plan.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.