

MAGELLAN HEALTH SERVICES INC

Form 4

February 27, 2008

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

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(Print or Type Responses)

1. Name and Address of Reporting Person *
LERER RENE

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)

3. Date of Earliest Transaction

(Month/Day/Year)

02/25/2008

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

President & CEO

55 NOD ROAD

(Street)

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

AVON, CT 06001

(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 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 Indirect Beneficial Ownership (Instr. 4)
Ordinary Common Stock, \$0.01 par value	02/25/2008 ⁽¹⁾		M ⁽²⁾	5,623 A	\$ 0 ⁽³⁾ 23,587	D	
Ordinary Common Stock, \$0.01 par value	02/25/2008		F ⁽⁴⁾	1,768 D	\$ 44.04 21,819	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. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Restricted Stock Units	\$ 0 ⁽³⁾	02/25/2008 ⁽¹⁾		M ⁽²⁾	5,623	02/24/2008 ⁽⁵⁾		Common Stock	5,623

Reporting Owners

Reporting Owner Name / Address	Relationships
	Director 10% Owner Officer Other
LERER RENE 55 NOD ROAD AVON, CT 06001	X President & CEO

Signatures

/s/ Rene Lerer 02/27/2008

 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) Restricted Stock Units vested on February 24, 2008 but were issued on February 25, 2008.

(2) This transaction was effectuated by a one-third vesting of the Restricted Stock Unit Award granted under the 2006 Management Incentive Plan. Each Restricted Stock Unit represents a contingent right to receive one share of Magellan common stock.

(3) No price was applicable to the acquisition of this security.

(4) Represents the portion of shares which the Company determined to settle in cash to pay applicable tax withholding.

(5) Not applicable

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(6) The remainder of 5,623 Restricted Stock Units shall vest on February 24, 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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