

EMERSON JEFF D
Form 4
January 06, 2006

FORM 4

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

OMB APPROVAL

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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 *
EMERSON JEFF D

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)
6950 COLUMBIA GATEWAY DRIVE
(Street)

3. Date of Earliest Transaction (Month/Day/Year)
01/05/2006

____ Director
 Officer (give title below) _____ Other (specify below)
Executive Vice President

COLUMBIA, MD 21046

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. 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	(A) or (D)	Price
Ordinary Common Stock, \$0.01 par value	01/05/2006		X ⁽¹⁾		8,333	A	\$ 12.39
							14,139 ⁽²⁾
Ordinary Common Stock, \$0.01 par value	01/05/2006		X ⁽¹⁾		4,169	A	\$ 23.52
							18,308
	01/05/2006		S ⁽¹⁾		12,502	D	5,806
							D

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Ordinary
Common
Stock,
\$0.01 par
value

\$
32.61

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

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(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)	Amount or Number of Shares
				Code V (A) (D)		Date Exercisable Expiration Date	Title	
Stock Option (Right to Buy)	\$ 12.39	01/05/2006		X ⁽¹⁾	8,333	01/05/2006 ⁽³⁾ 01/05/2014	Ordinary Common	8,333
Stock Option (Right to Buy)	\$ 23.52	01/05/2006		X ⁽¹⁾	4,169	01/05/2006 ⁽⁴⁾ 01/05/2014	Ordinary Common	4,169

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
EMERSON JEFF D 6950 COLUMBIA GATEWAY DRIVE COLUMBIA, MD 21046			Executive Vice President	

Signatures

/s/ Jeff D.
Emerson

01/06/2006

__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) This transaction was effectuated pursuant to a Rule 10b-5-1 plan and, accordingly, not on a discretionary basis by the reporting person.
- (2) Includes 5,806 shares owned prior to reported transaction.
- (3) Remaining options vest and become exercisable as follows: 25% on January 5, 2007 and 50% on January 5, 2008.
- (4) Remaining options vest and become exercisable in one half increments on January 5 of 2007 and 2008.
- (5) No price was applicable to the acquisition of this security.

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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