

MAGELLAN HEALTH SERVICES INC
 Form 4
 March 06, 2009

FORM 4

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

OMB APPROVAL

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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

(Print or Type Responses)

1. Name and Address of Reporting Person *
WEST JEFFREY N

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)
14100 MAGELLAN PLAZA
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
03/05/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
SVP & Controller

MARYLAND HEIGHTS, MO 63043

(City) (State) (Zip)

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

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) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V Amount (A) or (D) Price | | | |
| Ordinary Common Stock, \$0.01 par value | 03/05/2009 | | M ⁽¹⁾ | 952 A \$ 0 ⁽²⁾ | 2,526 | D | |
| Ordinary Common Stock, \$0.01 par value | 03/05/2009 | | F ⁽⁵⁾ | 308 D \$ 31.84 | 2,218 | D | |

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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) | 8. Price or Value of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|
| Restricted Stock Units | \$ 0 ⁽²⁾ | 03/05/2009 | | M ⁽¹⁾ | 952 | 03/05/2009 ⁽³⁾ | Common Stock | 952 \$ (|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------|-------|
| | Director | 10% Owner | Officer | Other |
| WEST JEFFREY N 14100 MAGELLAN PLAZA MARYLAND HEIGHTS, MO 63043 | | | SVP & Controller | |

Signatures

/s/ Jeffrey West 03/06/2009
 **Signature of Date
 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 by a one-third vesting of the Restricted Stock Unit Award approved on March 5, 2008. Each Restricted Stock Unit represents a contingent right to receive one share of Magellan common stock.
- (2) No price was applicable to the acquisition of this security.
- (3) Not applicable.
- (4) The remainder of 1,903 Restricted stock units shall vest in one-half increments on March 5, of each of 2010 and 2011.

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

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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