

MAGELLAN HEALTH SERVICES INC
 Form 4
 June 15, 2005

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 *
 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)
 C/O MAGELLAN HEALTH SERVICES, INC., 16 MUNSON ROAD

3. Date of Earliest Transaction (Month/Day/Year)
 03/26/2004

Director 10% Owner
 Officer (give title below) Other (specify below)
 President and COO

(Street)
 FARMINGTON, CT 06032

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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Ordinary Common Stock, \$0.01 par value	03/26/2004		A ⁽¹⁾		127	A	⁽²⁾
					50,378	⁽³⁾	D

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

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number.

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 of Derivative Security (Instr. 5)	9. Number of Derivative Securities Beneficially Owned Following Reporting Transaction (Instr. 6)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LERER RENE C/O MAGELLAN HEALTH SERVICES, INC. 16 MUNSON ROAD FARMINGTON, CT 06032	X		President and COO	

Signatures

/s/ Rene Lerer 06/15/2005

**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).

- Magellan's Management Compensation Committee on March 26, 2004 approved the grant of these restricted shares to Mr. Lerer as an addition to the grant of restricted shares made to him on January 5, 2004 in connection with the consummation of Magellan's plan of reorganization in order to correct an arithmetic error made in the calculation of the applicable number of restricted shares contemplated to be awarded him in connection with the consummation of Magellan's plan of reorganization pursuant to his employment agreement with Magellan, which Mr. Lerer and Magellan entered into on January 5, 2004 (as was further discussed in Magellan's Current Report on Form 8-K filed with the Commission on January 6, 2004 with regard to the consummation of the plan of reorganization).
- (1) be awarded him in connection with the consummation of Magellan's plan of reorganization pursuant to his employment agreement with Magellan, which Mr. Lerer and Magellan entered into on January 5, 2004 (as was further discussed in Magellan's Current Report on Form 8-K filed with the Commission on January 6, 2004 with regard to the consummation of the plan of reorganization).
 - (2) Grant of restricted stock.
 - (3) Represents beneficial ownership following this transaction; does not reflect current beneficial ownership.

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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