

MAGELLAN HEALTH SERVICES INC
 Form 4
 June 20, 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 *
 DEMILIO MARK S

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)
 16 MUNSON ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 06/16/2005

____ Director
 Officer (give title below) _____ 10% Owner
 _____ Other (specify below)
 Chief Financial Officer

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	(D)	Price
Ordinary Common Stock, \$0.01 par value	06/16/2005		X ⁽¹⁾		55,067	A	\$ 11.91
Ordinary Common Stock, \$0.01 par value	06/16/2005		X ⁽¹⁾		82,000	A	\$ 10.43
Ordinary Common Stock, \$0.01 par value	06/16/2005		X ⁽¹⁾		55,067	A	\$ 11.91
							98,464 ⁽²⁾
							180,464
							235,531

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Stock,
\$0.01 par
value

Ordinary
Common

Stock,	06/16/2005	<u>S⁽¹⁾</u>	114,734	D	\$	120,797	D
\$0.01 par					34.88		
value							

Ordinary
Common

Stock,	06/16/2005	<u>S⁽¹⁾</u>	67,400	D	\$	53,397	D
\$0.01 par					34.89		
value							

Ordinary
Common

Stock,	06/16/2005	<u>S⁽¹⁾</u>	5,000	D	\$	48,397	D
\$0.01 par					34.93		
value							

Ordinary
Common

Stock,	06/16/2005	<u>S⁽¹⁾</u>	5,000	D	\$	43,397	D
\$0.01 par					34.95		
value							

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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount or Number of Shares
Stock Option (right to buy)	\$ 11.91	06/16/2005		<u>X⁽¹⁾</u>	55,067	01/05/2005 ⁽³⁾ 01/05/2014	common stock 55,067

Stock Option (right to buy)	\$ 10.43	06/16/2005	X ⁽¹⁾	82,000	01/05/2005 ⁽⁵⁾	01/05/2014	common stock	82,000
Stock Option (right to buy)	\$ 11.91	06/16/2005	X ⁽¹⁾	55,067	01/05/2005 ⁽⁶⁾	01/05/2014	common stock	55,067

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DEMILIO MARK S 16 MUNSON ROAD FARMINGTON, CT 06032			Chief Financial Officer	

Signatures

/s/ Mark S.

Demilio

06/17/2005

 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 43,397 shares of stock owned prior to current transaction.

(3) Remaining 110,134 options vest in increments of one third on January 5, 2006, 2007 and 2008.

(4) Not applicable.

(5) Total number of share exercisable on 1/5/05 were 82,601 of which 82,000 have been exercised. There are currently 601 shares available for exercise. The remainder of 165,201 options will vest in increments of one third on January 5, 2006, 2007 and 2008.

(6) Remaining 110,134 options will vest in increments of one third on January 5, 2006, 2007 and 2008.

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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