

MAGELLAN HEALTH SERVICES INC  
 Form 4  
 October 04, 2007

**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 \*  
 SHULMAN STEVEN J

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)  
 55 NOD ROAD  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 10/02/2007

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
 Chairman and CEO

AVON, CT 06001

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	10/02/2007		X <sup>(1)</sup>		6,350	A	\$ 10.43
Ordinary Common Stock, \$0.01 par value	10/02/2007		X <sup>(1)</sup>		37,850	A	\$ 11.91
Ordinary Common	10/02/2007		S <sup>(1)</sup>		44,200	D	\$ 41.13
							92,432

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Stock, \$0.01 par value					(2)		
Ordinary Common Stock, \$0.01 par value	10/03/2007		X <sup>(1)</sup>	50,000	A	\$ 11.91	142,432 D
Ordinary Common Stock, \$0.01 par value	10/03/2007		S <sup>(1)</sup>	50,000	D	\$ 40.61 (3)	92,432 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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Stock Option (right to buy)	\$ 10.43	10/02/2007		X <sup>(1)</sup>	6,350	01/05/2007	12/31/2007	Common Stock	6,350
Stock Option (right to buy)	\$ 11.91	10/02/2007		X <sup>(1)</sup>	37,850	01/05/2007	12/31/2007	Common Stock	37,850
Stock Option (right to buy)	\$ 11.91	10/03/2007		X <sup>(1)</sup>	50,000	01/05/2007	12/31/2007	Common Stock	50,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHULMAN STEVEN J 55 NOD ROAD AVON, CT 06001	X		Chairman and CEO	

## Signatures

/s/ Daniel Gregoire as Attorney In Fact for Steven J  
Shulman 10/04/2007

\_\_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) These transactions were effectuated pursuant to a Rule 10b-5-1 plan and, accordingly, not on a discretionary basis by the reporting person.
  - (2) Price reflected is the average sale price. Please see attached Exhibit 99.1 for a complete breakdown of each sale associated with the exercise of the options exercised on this date.
  - (3) Price reflected is the average sale price. Please see attached Exhibit 99.2 for a complete breakdown of each sale associated with the exercise of the options exercised on this date.
  - (4) 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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