HUMANA INC Form 4 January 07, 2005

FORM 4

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

OMB APPROVAL OMB

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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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

30(h) of the Investment Company Act of 1940

1(b).

(Print or Type Responses)

may continue.

See Instruction

1. Name and Address of Reporting Person * SHIELDS R EUGENE			2. Issuer Name and Ticker or Trading Symbol HUMANA INC [HUM]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)			
(Last) (First)		(Middle)	3. Date of Earliest Transaction	(Sheek all applicable)			
			(Month/Day/Year)	Director 10% Owner			
HUMANA INC., 500 WEST MAIN STREET			01/06/2005	X Officer (give title Other (specify below) Senior Vice President-Gov Prgm			
				Selliof vice Fresident-Gov Fight			
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check			
			Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person			
LOUISVILLE, KY 40202				Form filed by More than One Reporting Person			

(City)	(State)	(Zip) Tal	able 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. Transactic Code (Instr. 8)	4. Securities on Disposed of (Instr. 3, 4)	f (D)	uired (A) or Price	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)		
Humana Common	01/06/2005		M	70,775	A	\$ 15.5938	139,990	D			
Humana Common	01/06/2005		M	20,000	A	\$ 19.25	159,990	D			
Humana Common	01/06/2005		S	159,990	D	\$ 29.8668	0	D			
Humana Common							1,277	I	See Footnote		

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<u>(1)</u>			(2)
Humana Common (1)	8,933	I	See Footnote (3)

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. 5. Number of TransactionDerivative Code Securities (Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		E (N	5. Date Exerc Expiration D Month/Day/	ate	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	E	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Options (4)	\$ 15.5938	01/06/2005		M	17,4	00	<u>(5)</u>	01/15/2008	Humana Common	17,400
Options (4)	\$ 15.5938	01/06/2005		M	30,4	50	<u>(6)</u>	09/17/2008	Humana Common	30,450
Options (4)	\$ 15.5938	01/06/2005		M	22,9	25	<u>(7)</u>	01/09/2007	Humana Common	22,925
Options (4)	\$ 19.25	01/06/2005		M	20,0	00	<u>(8)</u>	01/15/2009	Humana Common	20,000
Options (4)	\$ 9.26						<u>(9)</u>	03/13/2013	Humana Common	15,000
Options (10)	\$ 21.275						<u>(11)</u>	02/24/2014	Humana Common	15,000
Options (4)	\$ 16.2						(12)	02/24/2014	Humana Common	25,000

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 Phantom
 Humana

 Stock
 (13)
 (13)
 Common 3,654

 Units
 (1)
 (1)

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

SHIELDS R EUGENE HUMANA INC. 500 WEST MAIN STREET LOUISVILLE, KY 40202

Senior Vice President-Gov Prgm

Signatures

R. Eugene 01/06/2005 Shields

**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).
- Each share of Common Stock contains a Right adopted on March 5, 1987, pursuant to the Company Rights Agreement, as amended and restated on February 14, 1996, and amended as of May 27, 1998 and March 1, 1999, which entitles holders of the Company's Common Stock, in the event certain specified events occur, to acquire 1/100 of a share of Series A Participating Preferred Stock at a price of \$145 per fractional share.
- (2) Reporting person has a child over the age of majority living in his household who holds 1,277 shares.
- (3) Shares held for the benefit of reporting person as of November 30, 2004 under the Humana Retirement & Savings Plan, including a routine disposition of shares to fund an administrative fee assessment under a Tax-Conditioned Plan, both exempt under Rule 16b-3(c).
- (4) Right to buy pursuant to the Company's 1996 Stock Incentive Plan for Employees.
- (5) Non-Qualified stock options were granted to reporting person on 9/17/98 vesting in three increments from 9/17/99 to 1/15/01.
- (6) Non-Qualified stock options were granted to reporting person on 9/17/98, all of which vest on 9/17/99.
- (7) Non-Qualified stock options were granted to reporting person on 9/17/98 vesting in two increments from 9/17/99 to 1/9/00.
- (8) Non-Qualified stock options were granted to reporting person on 1/15/99 vesting in three increments from 1/15/00 to 1/15/02.
- (9) Incentive and Non-Qualified stock options were granted to reporting person on 3/13/03, NQ options to vest in two increments on 3/13/04 & 3/13/05, and ISO's to vest in three increments from 3/13/04 to 3/13/06.
- (10) Right to buy pursuant to the Company's 2003 Stock Incentive Plan.
- (11) Incentive and Non-Qualified stock options were granted to reporting person on 2/24/04, NQ options vesting in three increments from 2/24/05 to 2/24/07, and ISO's vesting in two increments on 2/24/06 and 2/24/07.
- (12) Non-Qualified stock options were granted to reporting person on 6/24/04 vesting in three increments from 6/24/05 to 6/24/07.
- (13) Phantom Stock Units held for the benefit of reporting person as of November 30, 2004, based on the value of Humana common stock on a 1-for1 basis, under the Humana Excess Plan and exempt under Rule 16b-3(c and d).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.

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