

MAGELLAN HEALTH SERVICES INC  
 Form 4  
 November 10, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
 Estimated average burden hours per response... 0.5

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 \*  
 Lotvin Alan

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)  
 11/08/2010

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 President, ICore Healthcare

AVON, CT 06001  
 (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 Indirect Beneficial Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|---|
|   |                                      |  | Code                           | V   | Amount  | (A) or (D)   | Price   |
| Ordinary Common Stock, \$0.01 par value | 11/08/2010                           |  | X <sup>(1)</sup>               |   | 2,200   | A  | \$ 41.47  |
|   |                                      |  |                                |   | 3,285   |  |   |
| Ordinary Common Stock, \$0.01 par value | 11/08/2010                           |  | X <sup>(1)</sup>               |   | 7,458   | A  | \$ 32.91  |
|   |                                      |  |                                |   | 10,743  |  |   |
| Ordinary Common                         | 11/08/2010                           |  | S <sup>(1)</sup>               |   | 1,100   | D  | \$ 48.85  |
|   |                                      |  |                                |   |   |  | <sup>(5)</sup>  |

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Stock,  
\$0.01 par  
value

Ordinary  
Common

|                     |            |                  |       |   |            |        |       |   |
|---------------------|------------|------------------|-------|---|------------|--------|-------|---|
| Stock,              | 11/08/2010 | S <sup>(1)</sup> | 1,100 | D | \$         | 48.845 | 8,543 | D |
| \$0.01 par<br>value |            |                  |       |   | <u>(6)</u> |        |       |   |

Ordinary  
Common

|                     |            |                  |       |   |            |        |       |   |
|---------------------|------------|------------------|-------|---|------------|--------|-------|---|
| Stock,              | 11/08/2010 | S <sup>(1)</sup> | 7,458 | D | \$         | 48.891 | 1,085 | D |
| \$0.01 par<br>value |            |                  |       |   | <u>(7)</u> |        |       |   |

Ordinary  
Common

|                     |            |                  |     |   |            |       |     |   |
|---------------------|------------|------------------|-----|---|------------|-------|-----|---|
| Stock,              | 11/08/2010 | S <sup>(1)</sup> | 876 | D | \$         | 48.85 | 209 | D |
| \$0.01 par<br>value |            |                  |     |   | <u>(8)</u> |       |     |   |

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) | 8. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (right to buy)                | \$ 41.47   | 11/08/2010                           |  | X <sup>(1)</sup>               | 2,200   | <sup>(2)</sup> 05/20/2018                                | Common Stock  | 2,200                         |
| Stock Option (right to buy)                | \$ 32.91   | 11/08/2010                           |  | X <sup>(1)</sup>               | 7,458   | <sup>(4)</sup> 03/04/2019                                | Common Stock  | 7,458                         |

## Reporting Owners

| Reporting Owner Name / Address               | Relationships |           |                             |       |
|--|---------------|-----------|-----------------------------|-------|
|  | Director      | 10% Owner | Officer                     | Other |
| Lotvin Alan<br>55 NOD ROAD<br>AVON, CT 06001 |               |           | President, ICore Healthcare |       |

## Signatures

/s/ Alan Lotvin                      11/10/2010

\_\_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 pursuant to a Rule10b-5-1 plan.
- (2) 2,236 options have vested and are exercisable, of which 2,200 options have been exercised in the reported transaction. The remainder of 1,117 options shall vest on May 20, 2011.
- (3) Not applicable.
- (4) 7,551 options have vested and are exercisable, of which 7,458 options have been exercised in the reported transaction. The remainder of 15,103 options will vest in equal increments on each of March 4 of 2011 and 2012.
- (5) Price reflected is an average sale price for shares sold. Please see attached Exhibit 99.1 for a complete list of all sales by sales price.
- (6) Price reflected is an average sale price for shares sold. Please see attached Exhibit 99.2 for a complete list of all sales by sales price.
- (7) Price reflected is an average sale price for shares sold. Please see attached Exhibit 99.3 for a complete list of all sales by sales price.
- (8) Price reflected is an average sale price for shares sold. Please see attached Exhibit 99.4 for a complete list of all sales by sales price.

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.