

MAGELLAN HEALTH SERVICES INC
 Form 4
 April 28, 2011

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 *
 Rohan Karen

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)
 04/26/2011

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

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 | (D) | Price |
| Ordinary Common Stock, \$0.01 par value | 04/26/2011 | | X ⁽¹⁾ | | 3,250 | A | \$ 42.75 3,250 |
| Ordinary Common Stock, \$0.01 par value | 04/27/2011 | | X ⁽¹⁾ | | 13,250 | A | \$ 42.75 16,500 |
| Ordinary Common | 04/26/2011 | | S ⁽¹⁾ | | 1,400 | D | \$ 50.0168 15,100 |

| | | | | | | | |
|---|------------|------------------|-------|---|----------|--------|---|
| Stock, \$0.01 par value | | | | | | | |
| Ordinary Common Stock, \$0.01 par value | 04/26/2011 | S ⁽¹⁾ | 1,850 | D | \$ 50 | 13,250 | D |
| Ordinary Common Stock, \$0.01 par value | 04/27/2011 | S ⁽¹⁾ | 2,500 | D | \$ 50.16 | 10,750 | D |
| Ordinary Common Stock, \$0.01 par value | 04/27/2011 | S ⁽¹⁾ | 4,000 | D | \$ 50.25 | 6,750 | D |
| Ordinary Common Stock, \$0.01 par value | 04/27/2011 | S ⁽¹⁾ | 2,750 | D | \$ 50.35 | 4,000 | D |
| Ordinary Common Stock, \$0.01 par value | 04/27/2011 | S ⁽¹⁾ | 2,000 | D | \$ 50.4 | 2,000 | D |
| Ordinary Common Stock, \$0.01 par value | 04/27/2011 | S ⁽¹⁾ | 2,000 | D | \$ 50.51 | 0 | 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.

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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 | 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 | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) | 8. D S (1) |
|--|---|--------------------------------------|--|--------------------------------|--|--|---|------------|
|--|---|--------------------------------------|--|--------------------------------|--|--|---|------------|

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| Security | | | (D) (Instr. 3, 4, and 5) | | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|--------------------------------------|----------|------------|--------------------------------|-----------|---------------------|--------------------|-----------------|-------------------------------------|
| | | | Code | V (A) (D) | | | | |
| Stock Option (right to buy) | \$ 42.75 | 04/26/2011 | X ⁽¹⁾ | 3,250 | ⁽²⁾ | 03/03/2015 | Common Stock | 3,250 |
| Stock Option (right to buy) | \$ 42.75 | 04/27/2011 | X ⁽¹⁾ | 13,250 | ⁽⁴⁾ | 03/03/2015 | Common Stock | 13,250 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|-----------|-------|
| | Director | 10% Owner | Officer | Other |
| Rohan Karen 55 NOD ROAD AVON, CT 06001 | | | President | |

Signatures

/s/ Karen S.
Rohan

04/28/2011

**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.

(2) Of the 22,760 stock options that vested on March 3, 2011, 19,010 stock options remain exercisable. The remainder of 45,519 options vest in equal increments on March 3 of 2012 and 2013.

(3) Not applicable.

(4) Of the 22,760 stock options that vested on March 3, 2011, 5,760 stock options remain exercisable. The remainder of 45,519 options vest in equal increments on March 3 of 2012 and 2013.

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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