

SIERRA HEALTH SERVICES INC  
 Form 4  
 February 17, 2006

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
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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 \*  
 PALMER PAUL H

2. Issuer Name and Ticker or Trading Symbol  
 SIERRA HEALTH SERVICES INC [SIE]

5. Relationship of Reporting Person(s) to Issuer  
 (Check all applicable)

(Last) (First) (Middle)  
 2724 N. TENAYA WAY  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 02/16/2006

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
 Sr. V.P., CFO & Treasurer

LAS VEGAS, NV 89128

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		
Common Stock	02/16/2006		M		20,000 (1) A \$ 5.825	91,995.93	D
Common Stock	02/16/2006		S		20,000 D \$ 42.1513	71,995.93	D
Common Stock						1,482.77	I By 401(k)

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

number.

**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 Security (Instr. 3 and 4)
Employee Stock Option (Right to Buy) <sup>(2)</sup>	\$ 5.825	02/16/2006		M	20,000	12/10/2003 <sup>(3)</sup> 12/09/2012	Common 20,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
PALMER PAUL H 2724 N. TENAYA WAY LAS VEGAS, NV 89128			Sr. V.P., CFO & Treasurer	

## Signatures

Paul H. Palmer/Jayne  
Primaky POA

02/17/2006

\*\*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) All share numbers and related information on this Form and subsequent Form 4s have been adjusted to reflect the 2-for-1 stock split effective December 30, 2005.
- (2) Exercise of options granted in consideration for services under the Company's 1995 Long-Term Incentive Plan, which meets the requirements of, and which transactions are exempted by, Rule 16b-3 and Rule 16b-6(b).
- (3) Exercisable as to 33 1/3% on each of 12/10/03, 12/10/04 and 12/10/05.

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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