SIERRA HEALTH SERVICES INC

Form 4 May 11, 2006

FORM 4

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

OMB APPROVAL OMB 3235-0287

Check this box if no longer subject to

Number: January 31, Expires: 2005

Section 16. Form 4 or Form 5

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per 0.5 response...

obligations may continue. See Instruction

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

1(b).

(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) 2724 N. TENA	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 05/10/2006	Director 10% Owner Officer (give title Other (specify below) Sr. V.P., CFO & Treasurer		
(Street)			4. If Amendment, Date Original	6. Individual or Joint/Group Filing(Check		
LAS VEGAS,	NV 89128		Filed(Month/Day/Year)	Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting Person		

(City)	(State)	(Zip) Tabl	le I - Non-l	Derivative	Secu	rities Acqui	red, Disposed of,	or Beneficiall	y Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. 4. Securities Acquired (A) Transaction Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8) (A) or Code V Amount (D) Price				5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. 7. Nature of Ownership Indirect Form: Beneficial Direct (D) Ownership or Indirect (Instr. 4) (I) (Instr. 4)	
Common Stock	05/10/2006		M	8,332	A	\$ 5.825	80,328	D	
Common Stock	05/10/2006		S	8,332	D	\$ 38.0782	71,996	D	
Common Stock	05/10/2006		M	8,718	A	\$ 6.305	80,714	D	
Common Stock	05/10/2006		S	8,718	D	\$ 38.0782	71,996	D	
Common Stock							1,549.51	I	By 401(k) Plan

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

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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. Transactic Code (Instr. 8)	5. Number on 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)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amoun or Number of Shares
Employee Stock Option (Right to Buy) (1)	\$ 5.825	05/10/2006		M	8,332	12/10/2003(2)	12/09/2012	Common Stock	8,332
Employee Stock Option (Right to Buy) (1)	\$ 6.305	05/10/2006		М	8,718	04/14/2004(3)	04/13/2013	Common Stock	8,718

Reporting Owners

Reporting Owner Name / Address	orting Owner Name / Address			
	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 05/11/2006

**Signature of Reporting Person Date

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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) 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).
- (2) Exercisable as to 33 1/3% on each of 12/10/03, 12/10/04 and 12/10/05.
- (3) Exercisable as to 25% on each of 4/14/04, 4/14/05, 4/14/06 and 4/14/07.

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.