HealthMarkets, Inc. Form 4 November 17, 2008

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

Check this box if no longer subject to Section 16. Form 4 or Form 5

SECURITIES

obligations may continue. See Instruction 1(b).

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)

(Last)

1. Name and Address of Reporting Person * CHANDRA ANURAG

(First)

(Middle)

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

OMB APPROVAL

3235-0287

January 31,

2005

0.5

OMB

Number:

Expires:

response...

Estimated average

burden hours per

HealthMarkets, Inc. [N/A]

(Check all applicable)

9151 BOULEVARD 26

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

Director 10% Owner _X__ Officer (give title _ Other (specify

11/14/2008

below) **EVP & Chief Administrative Off**

(Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

NORTH RICHLAND HILLS, TX 76180

(City)

Stock

(City)	(State) (Table Table	e I - Non-D	erivative	Secur	rities Acq	uired, Disposed of	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any	3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5)			d of (D)	5. Amount of Securities Beneficially	7. Nature of Indirect Beneficial	
		(Month/Day/Year)	(Instr. 8) Code V	Amount	(A) or (D)	Price	Owned Following Reported Transaction(s) (Instr. 3 and 4)	(D) or Indirect (I) (Instr. 4)	Ownership (Instr. 4)
Class A-1 Common	11/14/2008		A	6,418 (1)	A	\$ 23.37	6,418	D	

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	4. Transacti Code (Instr. 8)	5. onNumber of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)			7. Title and A Underlying S (Instr. 3 and	Securities 1
			Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 0 (2)				10/15/2009(3)	10/15/2018	Class A-1 Common Stock	75,000 (2)

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

CHANDRA ANURAG 9151 BOULEVARD 26 NORTH RICHLAND HILLS, TX 76180

EVP & Chief Administrative Off

Signatures

Anurag Chandra By: /s/ Peggy G. Simpson, POA

11/17/2008 Date

**Signature of 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).
- Subject to Executive's continued employment with the Company, the award will vest at the earlier of (i) a change of control or (ii) in three equal installments on each of the first three anniversaries of the Effective Date of Executive's Employment Agreement [October 15, 2008], as follows: 2,139 shares on October 15, 2009, 2,139 shares on October 15, 2010, and 2,140 shares on October 15, 2011.
 - (a) 62,500 of the Shares subject to the Option may be purchased at a price (the "Initial Option Price") equal to the Fair Market Value of the Company's Class A-1 Common Stock as determined by the Board of Directors to be effective for the quarter ending December 31,
- (2) 2008 (\$23.37); (b) 12,500 of the Shares subject to the Option may be purchased at the Initial Option Price per Share, if exercised prior to the first anniversary of the grant date of October 15, 2008 (the "Effective Date"), and will accrete thereafter by 10% per year on and after the first anniversary date through the fifth anniversary date of the Effective Date if not exercised prior to an applicable anniversary date.
- The Options shall become exercisable with respect to 20% of the Options (15,000 Shares) on the first anniversary of the Effective Date and the remainder of the Options (60,000 Shares) shall vest in equal quarterly installments thereafter until the fifth anniversary of the Effective Date.

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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