

MAGELLAN HEALTH SERVICES INC
 Form 4
 June 24, 2005

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

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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 *
 SHULMAN STEVEN J

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)
 16 MUNSON ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 06/22/2005

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman and CEO

FARMINGTON, CT 06032

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 Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|--|
| | | | Code | V | Amount | (A) or (D) | Price |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | | X ⁽¹⁾ | | 55,700 | A | \$ 11.91 |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | | S ⁽¹⁾ | | 2,000 | D | \$ 34.02 |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | | S ⁽¹⁾ | | 4,300 | D | \$ 34.01 |
| | | | | | | | 262,584 ⁽²⁾ |
| | | | | | | | 260,584 |
| | | | | | | | 256,284 |

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| | | | | | | | |
|---|------------|------------------------|--------|---|-------------|---------|---|
| Stock, \$0.01 par value | | | | | | | |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | <u>S⁽¹⁾</u> | 21,800 | D | \$ 34 | 234,484 | D |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | <u>S⁽¹⁾</u> | 3,000 | D | \$ 33.99 | 231,484 | D |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | <u>S⁽¹⁾</u> | 4,000 | D | \$ 33.98 | 227,484 | D |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | <u>S⁽¹⁾</u> | 300 | D | \$ 33.97 | 227,184 | D |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | <u>S⁽¹⁾</u> | 2,900 | D | \$ 33.96 | 224,284 | D |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | <u>S⁽¹⁾</u> | 354 | D | \$ 33.95 | 223,930 | D |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | <u>S⁽¹⁾</u> | 200 | D | \$ 33.94 | 223,730 | D |
| Ordinary Common Stock, \$0.01 par value | 06/22/2005 | <u>S⁽¹⁾</u> | 1,446 | D | \$ 33.91 | 222,284 | D |
| Ordinary Common Stock, | 06/22/2005 | <u>S⁽¹⁾</u> | 5,000 | D | \$ 33.9 | 217,284 | D |

\$0.01 par value

Ordinary Common

Stock, 06/22/2005 S⁽¹⁾ 6,000 D \$ 33.89 211,284 D

\$0.01 par value

Ordinary Common

Stock, 06/22/2005 S⁽¹⁾ 4,400 D \$ 33.8 206,884 D

\$0.01 par value

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) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Stock Option (right to buy) | \$ 11.91 | 06/22/2005 | | X ⁽¹⁾ | 55,700 | 01/05/2005 01/05/2014 | Ordinary Common Stock | 55,700 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|------------------|-------|
| | Director | 10% Owner | Officer | Other |
| SHULMAN STEVEN J 16 MUNSON ROAD FARMINGTON, CT 06032 | X | | Chairman and CEO | |

Signatures

/s/ Steven J.
Shulman

06/24/2005

__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 and, accordingly, not on a discretionary basis by the reporting person.
- (2) Includes 206,884 shares beneficially owned prior to the reported transaction.
- (3) Total number of shares exercisable on 1/5/05 were 137,668 shares of which 77,703 shares have been exercised. There are currently 59,965 shares available for exercise. The remainder of 275,334 options will vest in increments of one half on January 5, 2006 and 2007.
- (4) Not applicable.

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