

Morford Craig S
Form 4
September 02, 2009

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 *
Morford Craig S

(Last) (First) (Middle)
7000 CARDINAL PLACE
(Street)

DUBLIN, OH 43017

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

CARDINAL HEALTH INC [CAH]

3. Date of Earliest Transaction
(Month/Day/Year)
09/01/2009

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
Chief Legal/Compliance Officer

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
___ Form filed by More than One Reporting Person

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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Shares | 09/01/2009 | | A ⁽¹⁾ | | 243 | A | (2) 15,472 |
| Common Shares | 09/01/2009 | | A ⁽¹⁾ | | 2,307 | A | (3) 17,779 |

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

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SEC 1474
(9-02)

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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) | 8. Price of Derivative Security (Instr. 3) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|
| Option (right to buy) | \$ 41.1 | 09/01/2009 | | A ⁽¹⁾ | 1 | ⁽⁴⁾ 08/15/2015 | Common Shares | 14,128 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Morford Craig S 7000 CARDINAL PLACE DUBLIN, OH 43017 | | | Chief Legal/Compliance Officer | |

Signatures

/s/ Craig S.
Morford

09/02/2009

**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).
- Pursuant to the anti-dilution provisions of this grant, the number of shares subject to it (and for options, the exercise price) was adjusted in
- (1) conjunction with the Issuer's spin-off of CareFusion Corp. The terms of this adjustment were approved by the Issuer's Human Resources and Compensation Committee.
 - (2) Award granted without payment by grantee. One-half of these restricted share units will vest on 5/15/2010 and one-half will vest on 5/15/2011.
 - (3) Award granted without payment by grantee. One-third of these restricted share units are vested and delivery has been deferred, one-third will vest on 8/15/2010 and one-third will vest on 8/15/2011.
 - (4) One-third of these options are currently exercisable, one-third will vest on 8/15/2010, and one-third will vest on 8/15/2011.
 - (5) Award granted without payment by grantee.

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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