

GREGOIRE DANIEL N
 Form 4
 January 03, 2011

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

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 *
 GREGOIRE DANIEL N

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)
 55 NOD ROAD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 12/29/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 General Counsel and Secretary

AVON, CT 06001

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	(D)	Price
Ordinary Common Stock, \$0.01 par value	12/29/2010		X ⁽¹⁾		5,011	A	\$ 34.57
					10,964		
Ordinary Common Stock, \$0.01 par value	12/29/2010		X ⁽¹⁾		16,289	A	\$ 36.16
					27,253		
Ordinary Common Stock	12/30/2010		X ⁽¹⁾		12,700	A	\$ 36.16
					39,953		

Stock, \$0.01 par value								
Ordinary Common Stock, \$0.01 par value	12/31/2010	X ⁽¹⁾	21,011	A	\$ 36.16	60,964		D
Ordinary Common Stock, \$0.01 par value	12/29/2010	S ⁽¹⁾	21,300	D	\$ 48.084 ⁽²⁾	39,664		D
Ordinary Common Stock, \$0.01 par value	12/30/2010	S ⁽¹⁾	12,700	D	\$ 48.1644 ⁽³⁾	26,964		D
Ordinary Common Stock, \$0.01 par value	12/31/2010	S ⁽¹⁾	21,011	D	\$ 48.0029 ⁽⁴⁾	5,953		D
Ordinary Common Stock, \$0.01 par value	12/31/2010	S ⁽¹⁾	1,353 ⁽⁵⁾	D	\$ 48.0029 ⁽⁴⁾	4,600		D

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. 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. Date	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number

Stock Option (right to buy)	\$ 34.57	12/29/2010	<u>X</u> ⁽¹⁾	5,011	<u>(6)</u>	03/10/2015	Common Stock	5,011
Stock Option (right to buy)	\$ 36.16	12/29/2010	<u>X</u> ⁽¹⁾	16,289	<u>(6)</u>	01/24/2015	Common Stock	16,289
Stock Option (right to buy)	\$ 36.16	12/30/2010	<u>X</u> ⁽¹⁾	12,700	<u>(6)</u>	01/24/2015	Common Stock	12,700
Stock Option (right to buy)	\$ 36.16	01/31/2011	<u>X</u> ⁽¹⁾	21,011	<u>(6)</u>	01/24/2015	Common Stock	21,011

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
GREGOIRE DANIEL N 55 NOD ROAD AVON, CT 06001			General Counsel and Secretary	

Signatures

/s/ Daniel N.
Gregoire

01/03/2011

**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 10b5-1 Plan.
- (2) Price shown is the average sale price. For a complete breakdown of the average sale price, please see Exhibit 99.1
- (3) Price shown is the average sale price. For a complete breakdown of the average sale price, please see Exhibit 99.2
- (4) Price shown is the average sale price. For a complete breakdown of the average sale price, please see Exhibit 99.3
- (5) Sale of previously vested restricted stock units.
- (6) All stock options in this tranche are fully vested and exercisable.
- (7) Not applicable.

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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