

MAGELLAN HEALTH SERVICES INC
 Form 4
 November 12, 2010

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 *
 Lewis Clapper Caskie

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)
 11/09/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Chief Human Resources Officer

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 Ownership (Instr. 4) |
|---|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | Code | V | Amount | (A) or (D) | Price |
| Ordinary Common Stock, \$0.01 par value | 11/09/2010 | | X ⁽¹⁾ | | 6,300 | A | \$ 34.57 |
| | | | | | | | 13,942 |
| Ordinary Common Stock, \$0.01 par value | 11/10/2010 | | X ⁽¹⁾ | | 8,235 | A | \$ 34.57 |
| | | | | | | | 22,177 |
| Ordinary Common | 11/09/2010 | | S ⁽¹⁾ | | 6,300 | D | \$ 49 |
| | | | | | | | 15,877 |

Stock,
\$0.01 par
value

Ordinary
Common

| | | | | | | | | | |
|-------------------------------|------------|--|-------------------------|-------|---|---------------------------|-------|--|---|
| Stock, \$0.01 par value | 11/10/2010 | | <u>S</u> ⁽¹⁾ | 8,235 | D | \$ 49.01 <u>(4)</u> | 7,642 | | D |
|-------------------------------|------------|--|-------------------------|-------|---|---------------------------|-------|--|---|

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.

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(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. Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|-------------------------------|
| Stock Option (right to buy) | \$ 34.57 | 11/09/2010 | | <u>X</u> ⁽¹⁾ | 6,300 | <u>(2)</u> 03/10/2015 | Common | 6,300 |
| Stock Option (right to buy) | \$ 34.57 | 11/10/2010 | | <u>X</u> ⁽¹⁾ | 8,235 | <u>(2)</u> 03/10/2015 | Common | 8,235 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Lewis Clapper Caskie 55 NOD ROAD AVON, CT 06001 | | | Chief Human Resources Officer | |

Signatures

/s/ Caskie

Lewis-Clapper

11/11/2010

__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.

(2) All options in this tranche are fully vested and exercisable.

(3) Not applicable.

(4) Price reflected is an average sale price for shares sold. Please see attached Exhibit 99.1 for a complete list of all sales by sales price.

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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