

MAGELLAN HEALTH SERVICES INC  
 Form 4  
 November 12, 2010

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
 Expires: January 31, 2005  
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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 <sup>(1)</sup>		6,300	A	\$ 34.57
							13,942
Ordinary Common Stock, \$0.01 par value	11/10/2010		X <sup>(1)</sup>		8,235	A	\$ 34.57
							22,177
Ordinary Common	11/09/2010		S <sup>(1)</sup>		6,300	D	\$ 49
							15,877

Stock,  
\$0.01 par  
value

Ordinary  
Common

Stock, \$0.01 par value	11/10/2010		<u>S</u> <sup>(1)</sup>	8,235	D	\$ <u>49.01</u> <sup>(4)</sup>	7,642	D
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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)	8. F...	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	\$ 34.57	11/09/2010		<u>X</u> <sup>(1)</sup>	6,300	<u>(2)</u>	03/10/2015	Common	6,300
Stock Option (right to buy)	\$ 34.57	11/10/2010		<u>X</u> <sup>(1)</sup>	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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