

MAGELLAN HEALTH SERVICES INC  
 Form 4  
 January 10, 2007

**FORM 4**

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

OMB APPROVAL

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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)  
 55 NOD ROAD  
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)  
 01/08/2007

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

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	(A) or (D)	Price
Ordinary Common Stock, \$0.01 par value	01/08/2007		X <sup>(1)</sup>		120,460	A	\$ 11.91
					242,707		<sup>(2)</sup>
Ordinary Common Stock, \$0.01 par value	01/08/2007		X <sup>(1)</sup>		74,440	A	\$ 10.43
Ordinary Common Stock, \$0.01 par value	01/09/2007		X <sup>(1)</sup>		28,811	A	\$ 10.43

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Stock,  
\$0.01 par  
value

Ordinary  
Common

Stock,	01/08/2007		<u>S</u> <sup>(1)</sup>	194,900	D	\$	41.4918	151,058	D
\$0.01 par value						<u>(3)</u>			

Ordinary  
Common

Stock,	01/09/2007		<u>S</u> <sup>(1)</sup>	28,811	D	\$	40.4911	122,247	D
\$0.01 par value						<u>(4)</u>			

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)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount Number of Shares
Stock Option (right to buy)	\$ 11.91	01/08/2007		<u>X</u> <sup>(1)</sup>	120,460	01/05/2007	12/31/2007	Ordinary Common Stock	120,460
Stock Option (right to buy)	\$ 10.43	01/08/2007		<u>X</u> <sup>(1)</sup>	74,440	01/05/2007	01/05/2014	Ordinary Common Stock	74,440
Stock Option (right to buy)	\$ 10.43	01/09/2007		<u>X</u> <sup>(1)</sup>	28,811	01/05/2007	01/05/2014	Ordinary Common Stock	28,811

