

MAGELLAN HEALTH SERVICES INC
 Form 4
 February 27, 2008

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)
 02/25/2008

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

AVON, CT 06001
 (City) (State) (Zip)

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

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 | 02/25/2008 ⁽¹⁾ | | M ⁽²⁾ | | 765 | A | \$ 0 ⁽³⁾ 3,633 | D |
| Ordinary Common Stock, \$0.01 par value | 02/25/2008 | | F ⁽⁴⁾ | | 240 | D | \$ 44.04 3,393 | D |

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

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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. Price or Value of Underlying Securities (Instr. 3 and 4) |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---|
| Restricted Stock Units | \$ 0 ⁽³⁾ | 02/25/2008 ⁽¹⁾ | | M ⁽²⁾ | 765 | 02/24/2008 ⁽⁵⁾ | Common Stock | 765 |

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 02/27/2008
**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) Restricted Stock Units vested on February 24, 2008 but were issued on February 25, 2008.
- (2) This transaction was effectuated by a one-third vesting of the Restricted Stock Unit Award granted under the 2006 Management Incentive Plan. Each Restricted Stock Unit represents a contingent right to receive one share of Magellan common stock.
- (3) No price was applicable to the acquisition of this security.
- (4) Represents the portion of shares which the Company determined to settle in cash to pay applicable tax withholding.

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(5) Not applicable.

(6) The remainder of 765 shares shall vest on February 24, 2009.

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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