

HealthMarkets, Inc.  
Form 4  
August 13, 2008

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 LUCINDA M**

(Last) (First) (Middle)  
9151 BOULEVARD 26  
(Street)

**NORTH RICHLAND HILLS, TX 76180**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**HealthMarkets, Inc. [N/A]**

3. Date of Earliest Transaction (Month/Day/Year)  
**08/11/2008**

4. If Amendment, Date Original Filed (Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)  
**SVP & Chief Actuary**

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 Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

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	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)			(Instr. 3 and 4)		
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 0 <sup>(1)</sup>	08/11/2008	A		25,000		08/11/2009 <sup>(2)</sup>	08/11/2018	Class A-1 Common Stock	25,000
Stock Option	\$ 0 <sup>(3)</sup>	08/11/2008	A		25,000		08/11/2009 <sup>(4)</sup>	08/11/2018	Class A-1 Common Stock	25,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LEWIS LUCINDA M 9151 BOULEVARD 26 NORTH RICHLAND HILLS, TX 76180			SVP & Chief Actuary	

## Signatures

Lucinda M. Lewis By /s/ Peggy G. Simpson, POA 08/13/2008

\_\_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) The per share option price is equal to the Fair Market Value of the Company's Class A-1 Common Stock, to be determined by the Board of Directors effective June 30, 2008 for the quarter ending September 30, 2008.
- (2) The options vest and become exercisable in 20% increments on each of the first, second, third, fourth and fifth anniversaries of the grant date.
- (3) The initial per share option is equal to the Fair Market Value of the Company's Class A-1 Common Stock, to be determined by the Board of Directors effective June 30, 2008 for the quarter ending September 30, 2008. The exercise price of the option will accrete by 10% per year, starting on August 6, 2010.
- (4) The option vests in different increments on each of the first five anniversaries of August 11, 2008. Twenty-five percent of the option vests on August 11, 2009. Twenty-five percent of the option vests on August 11, 2010. Seventeen percent of the option vests on August 11, 2011. Seventeen percent of the option vests on August 11, 2012. The remaining sixteen percent of the option vests on August 11, 2013.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.