

HEALTHWAYS, INC

Form 5

October 15, 2008

FORM 5**UNITED STATES SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

Check this box if
no longer subject
to Section 16.
Form 4 or Form
5 obligations
may continue.
See Instruction
1(b).

Form 3 Holdings
Reported
Form 4
Transactions
Reported

**ANNUAL 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

OMB APPROVAL

OMB
Number: 3235-0362Expires: January 31,
2005Estimated average
burden hours per
response... 1.01. Name and Address of Reporting Person *
HERR HENRY D

(Last) (First) (Middle)

701 COOL SPRINGS BLVD

(Street)

FRANKLIN, TN 37067

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading
Symbol

HEALTHWAYS, INC [HWAY]

3. Statement for Issuer's Fiscal Year Ended
(Month/Day/Year)
08/31/20084. 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)

6. Individual or Joint/Group Reporting

(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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	11/23/2007	Â	G	(A) Amount 2,350 (1) D Price \$ 0	304,299 (2) (3)	D	Â
Common Stock	Â	Â	Â	Â Â Â	18,491 (3)	I	Held by Henry D. Herr 2006 Healthways GRAT
Common Stock	Â	Â	Â	Â Â Â	4,606 (1) (3)	I	Held in trust controlled by spouse

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Common Stock	Â	Â	Â	Â	Â	Â	3,462	I	Held in 401(k) Plan
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SEC 2270
(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. D S (I
					(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to Buy	\$ 46.45	Â	Â	Â	Â	Â	02/14/2012	02/14/2015	Common Stock	5,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HERR HENRY D 701 COOL SPRINGS BLVD FRANKLIN, TN 37067	Â X	Â	Â	Â

Signatures

/s/ Mary A. Chaput, by power of attorney for Henry D. Herr

10/15/2008

 **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) Of the 2,350 shares gifted on November 23, 2007, 350 shares were given to a trust controlled by the reporting owner's spouse.

- (2) Upon maturity of the Henry D. Herr 2005 American Healthways GRAT on November 15, 2007, 6,106 shares were transferred to the reporting owner, and 1,646 shares were transferred into a trust controlled by the reporting owner's spouse. These shares were transferred pursuant to the terms of the GRAT and were not reportable transactions under Rule 16a-13.

- (3)

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Of the 30,000 shares held by the 2006 GRAT, 11,509 were transferred from the GRAT to the reporting owner as grantor on October 17, 2007. These shares were transferred pursuant to the terms of the GRAT and were not reportable transactions under Rule 16a-13.

Note: File three copies of this Form, one of which must be manually signed. If space provided 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.