HealthMarkets, Inc. Form 4 August 08, 2008

FORM 4

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

Check this box if no longer subject to Section 16.

Form 4 or

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Form 5 obligations may continue. See Instruction

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(b).

1. Name and Address of Reporting Person * ROACH TIMOTHY JOSEPH

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

(First) (Middle) (Last)

(Street)

HealthMarkets, Inc. [N/A]

(Check all applicable)

OMB

Number:

Expires:

response...

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OMB APPROVAL

3235-0287

January 31,

2005

0.5

9151 BOULEVARD 26

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

Director 10% Owner X_ Officer (give title Other (specify

08/06/2008

below) SVP & CMO

6. Individual or Joint/Group Filing(Check Applicable Line)

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

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

NORTH RICHLAND HILLS, TX 76180

Security

(Instr. 3)

(City) (State) (Zip) 1. Title of 2. Transaction Date 2A. Deemed

3. 4. Securities (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Code Disposed of (D) (Month/Day/Year) (Instr. 8) (Instr. 3, 4 and 5)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 5. Amount of 6. Ownership 7. Nature of Securities Form: Direct Indirect Beneficially (D) or Indirect Beneficial Owned (I) Ownership (Instr. 4) Following (Instr. 4)

> Reported (A) Transaction(s) or (Instr. 3 and 4)

Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Conversion 3. Transaction Date 3A. Deemed (Month/Day/Year) Execution Date, if

5. Number of TransactionDerivative

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 Share
Stock Option	\$ 0 (1)	08/06/2008		A	16,667	08/06/2009(2)	08/06/2018	Class A-1 Common Stock	16,66
Stock Option	\$ 0 (3)	08/06/2008		A	16,666	08/06/2009(4)	08/06/2018	Class A-1 Common Stock	16,666

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

ROACH TIMOTHY JOSEPH 9151 BOULEVARD 26 NORTH RICHLAND HILLS, TX 76180

SVP & CMO

Signatures

Timothy J. Roach By: /s/ Peggy G. Simpson, POA

08/08/2008

**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.
- 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 (3) 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.
- The option vests in different increments on each of the first five anniversaries of August 6, 2008. Twenty-five percent of the option vests on August 6, 2010. Seventeen percent of the option vests on August 6, 2011. Seventeen percent of the option vests on August 6, 2012. The remaining sixteen percent of the option vests on August 6, 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.

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