

COLLIFLOWER MICHAEL

Form 4

April 02, 2007

**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  
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

## OMB APPROVAL

OMB  
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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
COLLIFLOWER MICHAEL

(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)

03/29/2007

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

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

\_\_\_\_ Director \_\_\_\_ 10% Owner  
\_\_\_\_X\_\_\_\_ Officer (give title \_\_\_\_ Other (specify  
below) below)

Executive Vice President

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_\_\_X\_\_\_\_ 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<br>Security<br>(Instr. 3) | 2. Transaction Date<br>(Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3. Transaction<br>Code<br>(Instr. 8) | 4. Securities<br>Acquired (A) or<br>Disposed of (D)<br>(Instr. 3, 4 and 5) | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership<br>Form: Direct<br>(D) or Indirect<br>(I)<br>(Instr. 4) | 7. Nature of<br>Indirect<br>Beneficial<br>Ownership<br>(Instr. 4) |
|---------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------|-------------------------------------------------------------------|
|                                       |                                         |                                                             | 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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information contained in this form are not  
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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<br>Derivative | 2. Conversion | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if | 4. Transaction<br>of Derivative | 5. Number | 6. Date Exercisable and<br>Expiration Date | 7. Title and Amount of<br>Underlying Securities | 8. |
|---------------------------|---------------|-----------------------------------------|----------------------------------|---------------------------------|-----------|--------------------------------------------|-------------------------------------------------|----|
|---------------------------|---------------|-----------------------------------------|----------------------------------|---------------------------------|-----------|--------------------------------------------|-------------------------------------------------|----|

# Edgar Filing: COLLIFLOWER MICHAEL - Form 4

| Security<br>(Instr. 3) | or Exercise<br>Price of<br>Derivative<br>Security | any<br>(Month/Day/Year) | Code<br>(Instr. 8) | Securities<br>Acquired<br>(A) or<br>Disposed of<br>(D)<br>(Instr. 3, 4,<br>and 5) | (Month/Day/Year) |     | (Instr. 3 and 4)    |                    | S                            |                                        |
|------------------------|---------------------------------------------------|-------------------------|--------------------|-----------------------------------------------------------------------------------|------------------|-----|---------------------|--------------------|------------------------------|----------------------------------------|
|                        |                                                   |                         | Code               | V                                                                                 | (A)              | (D) | Date<br>Exercisable | Expiration<br>Date | Title                        | Amount<br>or<br>Number<br>of<br>Shares |
| Stock<br>Option        | \$ 37                                             | 03/29/2007              | A                  |                                                                                   | 2,166<br>(1)     |     | 06/26/2007          | 06/26/2016         | Class A-1<br>Common<br>Stock | 2,166                                  |
| Stock<br>Option        | \$ 38.37                                          | 03/29/2007              | A                  |                                                                                   | 875<br>(2)       |     | 08/30/2007          | 08/30/2016         | Class A-1<br>Common<br>Stock | 875                                    |

## Reporting Owners

| Reporting Owner Name / Address                                             | Relationships                    |
|----------------------------------------------------------------------------|----------------------------------|
|                                                                            | Director 10% Owner Officer Other |
| COLLIFLOWER MICHAEL<br>9151 BOULEVARD 26<br>NORTH RICHLAND HILLS, TX 76180 | Executive Vice President         |

## Signatures

Michael A. Colliflower By Peggy G. Simpson,  
POA 04/02/2007

\_\_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) On June 26, 2006, the Compensation Committee of the Issuer approved a grant to the reporting person of an option to purchase 8,667 shares of Class A-1 Common Stock, which would vest based on the Issuer's satisfaction of certain performance criteria, as follows: (i) 25% on the first anniversary of the grant date, (ii) 25% on the second anniversary of the grant date, (iii) 17% on the third anniversary of the grant date, (iv) 17% on the fourth anniversary of the grant date, and (v) the remaining 16% on the fifth anniversary of the grant date. On March 29, 2007, the Issuer determined that the performance criteria for the first 25% had been met which will result in vesting of the option as to 2,166 shares on June 26, 2007, subject to the reporting person's continued employment as of such date.

(2) On August 30, 2006, the Compensation Committee of the Issuer approved a grant to the reporting person of an option to purchase 3,500 shares of Class A-1 Common Stock, which would vest based on the Issuer's satisfaction of certain performance criteria, as follows: (i) 25% on the first anniversary of the grant date, (ii) 25% on the second anniversary of the grant date, (iii) 17% on the third anniversary of the grant date, (iv) 17% on the fourth anniversary of the grant date, and (v) the remaining 16% on the fifth anniversary of the grant date. On March 29, 2007, the Issuer determined that the performance criteria for the first 25% had been met which will result in vesting of the option as to 875 shares on August 30, 2007, subject to the reporting person's continued employment as of such date.

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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