

MERGE HEALTHCARE INC
 Form 4
 September 18, 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 *
BROWN DENNIS

2. Issuer Name and Ticker or Trading Symbol
**MERGE HEALTHCARE INC
 [MRGE]**

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
**6737 WEST WASHINGTON
 STREET, SUITE 2250**
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
09/16/2008

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

MILWAUKEE, WI 53214

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

(City) (State) (Zip)

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 Indirect Ownership (Instr. 4)				
				Code	V	Amount	(A) or (D)	Price			
Common Stock	09/16/2008		J ⁽¹⁾	V	221,894	D	\$ 0	0		D	
Common Stock	09/17/2008		Z ⁽²⁾	V	221,894	A	\$ 0	221,894		I	Trust ⁽³⁾

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

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 (9-02)

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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 of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Beneficially (Instr. 5)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BROWN DENNIS 6737 WEST WASHINGTON STREET SUITE 2250 MILWAUKEE, WI 53214		X		

Signatures

/s/ Julie Ann B. Schumitsch, by Power of Attorney for Dennis Brown 09/18/2008

__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) Transfer of 221,894 shares of Merge Healthcare Incorporated Common Stock by Dennis Brown to his spouse, Maureen Brown, of which Mr. Brown retains a pecuniary interest therein.
- (2) Transfer of 221,894 shares of Merge Healthcare Incorporated Common Stock held by Mr. Brown's spouse, Maureen Brown, and deposited into the Maureen Brown 2008 Grantor Retained Annuity Trust, of which the spouse of Mr. Brown is the grantor and Mr. Brown is the trustee, the beneficial ownership of which Mr. Brown disclaims.
- (3) Shares of Common Stock held by the Maureen Brown 2008 Grantor Retained Annuity Trust, of which the spouse of Mr. Brown is the grantor and Mr. Brown is the trustee, the beneficial ownership of which Mr. Brown disclaims.

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.