

HealthSpring, Inc.  
Form S-3ASR  
March 24, 2011

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**As filed with the Securities and Exchange Commission on March 24, 2011**  
**Registration Statement No. 333-**

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

**Form S-3**  
**REGISTRATION STATEMENT**  
**UNDER**  
**THE SECURITIES ACT OF 1933**

**HealthSpring, Inc.**  
*(Exact Name of Registrant as Specified in Its Charter)*

**Delaware**  
*(State or Other Jurisdiction of  
Incorporation or Organization)*

**20-1821898**  
*(IRS Employer  
Identification No.)*

**9009 Carothers Parkway, Suite 501**  
**Franklin, TN 37067**  
**(615) 291-7000**  
*(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive  
Offices)*

**J. Gentry Barden, Esq.**  
**Senior Vice President, General Counsel and Secretary**  
**HealthSpring, Inc.**  
**9009 Carothers Parkway, Suite 501**  
**Franklin, TN 37067**  
**(615) 291-7000**

*(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent for Service)*

*Copies to:*

**Howard H. Lamar III, Esq.  
J. James Jenkins, Jr., Esq.  
Bass, Berry & Sims PLC  
150 Third Avenue South, Suite 2800  
Nashville, TN 37201  
(615) 742-6200**

**Approximate date of commencement of proposed sale to the public:** From time to time after this registration statement becomes effective.

If the only securities being registered on this Form are being offered pursuant to dividend or interest reinvestment plans, please check the following box.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box.

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering.

If this Form is a registration statement pursuant to General Instruction I.D. or a post-effective amendment thereto that shall become effective upon filing with the Commission pursuant to Rule 462(e) under the Securities Act, check the following box.

If this Form is a post-effective amendment to a registration statement filed pursuant to General Instruction I.D. filed to register additional securities or additional classes of securities pursuant to Rule 413(b) under the Securities Act, check the following box.

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of large accelerated filer, accelerated filer and smaller reporting company in Rule 12b-2 of the Exchange Act. (Check one):

Large accelerated filer       Accelerated filer       Non-accelerated filer       Smaller reporting company   
(Do not check if a smaller reporting company)

**CALCULATION OF REGISTRATION FEE**

| <b>Title of Securities Being Registered</b>   | <b>Amount Being Registered</b> | <b>Proposed Maximum Offering Price per Share</b> | <b>Proposed Maximum Aggregate Offering Price</b> | <b>Amount of Registration Fee</b> |
|---|--------------------------------|--|--|-----------------------------------|
| <b>Common Stock, par value 0.01 per share</b> | <b>(1)</b>                     | <b>(1)</b>                                       | <b>(1)</b>                                       | <b>(1)</b>                        |

(1) This registration statement registers an unspecified amount of common stock as may from time to time be offered at an indeterminate price. The registrant is relying upon Rules 456(b) and 457(r) under the Securities Act to defer payment of the registration fee.

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The information in this preliminary prospectus is not complete and may be changed. These securities may not be sold until the registration statement filed with the Securities and Exchange Commission is effective. This preliminary prospectus is not an offer to sell nor does it seek an offer to buy these securities in any jurisdiction where the offer or sale is not permitted.

Subject To Completion Dated March 24, 2011.

7,500,000 Shares

Common Stock

Our common stock is listed on the New York Stock Exchange under the symbol HS . The last reported sale price of our common stock on March 23, 2011 was \$37.59 per share.

*See the Risk Factors section beginning on page 4 of this prospectus and in the documents incorporated by reference into this prospectus to read about factors you should consider before buying shares of our common stock.*

**Neither the Securities and Exchange Commission, or the SEC, nor any other regulatory body has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.**

Goldman, Sachs & Co. has agreed to purchase 7,500,000 shares of our common stock from us at a price of \$ per share which will result in \$ of proceeds to the Company (before expenses). We have granted Goldman, Sachs & Co. an option for a period of 30 days after the date of this prospectus to purchase up to 1,125,000 additional shares of our common stock to cover over-allotments.

Goldman, Sachs & Co. may offer the shares of common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale or at negotiated prices.

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Goldman, Sachs & Co. expects to deliver the shares against payment in New York, New York on or about March 29, 2011.

**Goldman, Sachs & Co.**

Prospectus dated March , 2011.

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**We have not authorized anyone to provide any information or to make any representations other than those contained or incorporated by reference into this prospectus or in any free writing prospectus we have prepared. We take no responsibility for, and can provide no assurance as to the reliability of, any other information that others may give to you. This prospectus is an offer to sell only the shares offered hereby, but only under circumstances and in jurisdictions where it is lawful to do so. The information contained in this prospectus is current only as of its date.**

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**ABOUT THIS PROSPECTUS**

This prospectus is part of an automatic registration statement on Form S-3 that we filed with the SEC using a shelf registration process as a well-known seasoned issuer as defined in Rule 405 under the Securities Act of 1933, as amended, or the Securities Act. Under the automatic shelf registration process, we may offer and sell, from time to time, shares of our common stock in one or more offerings. You should read both this prospectus and the documents incorporated by reference into this prospectus, together with the additional information described below under the heading **Where You Can Find More Information**, carefully before making an investment decision.

Unless we have indicated otherwise, all information in this prospectus assumes that the underwriter does not exercise its option to purchase additional shares from us to cover any over-allotments.

When used in this prospectus, except where the context otherwise requires, the terms **we**, **us**, **our** and the **Company** refer to HealthSpring, Inc., a Delaware corporation, and its consolidated subsidiaries.

**FORWARD-LOOKING STATEMENTS**

This prospectus and the documents incorporated by reference herein and therein contain forward-looking statements by us within the meaning of Section 27A of the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. Statements that are predictive in nature, that depend on or refer to future events or conditions, or that include words such as **anticipates**, **believes**, **could**, **estimates**, **expects**, **intends**, **may**, **potential**, **predicts**, **projects**, **should**, **will**, **would**, and similar expressions concerning our prospects, objectives or intentions are forward-looking statements. All statements made related to our estimated or projected membership, revenue, medical loss ratios, medical expenses, profitability, cash flows, access to capital, compliance with statutory capital or net worth requirements, payments from or to CMS, litigation settlements, compliance with applicable federal and state regulations, expansion and growth plans, sales and marketing strategies, new products or initiatives, and the impact of existing or proposed laws or regulations described herein are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

Forward-looking statements reflect our current views with respect to future events and are based on assumptions and subject to risks and uncertainties. Given these uncertainties, you should not place undue reliance on these forward-looking statements. In evaluating an investment in our common stock, you should carefully consider the discussion of risks and uncertainties described under the heading **Risk Factors** contained in this prospectus and under a similar heading in our Annual Report on Form 10-K that is incorporated by reference in this prospectus. We undertake no obligation beyond that required by law to update publicly any forward-looking statements for any reason, even if new information becomes available or other events occur in the future. You should read this prospectus and the documents that are incorporated by reference (as described under the heading **Incorporation by Reference**), to this prospectus completely and with the understanding that our actual future results may be materially different from what we expect.

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**PROSPECTUS SUMMARY**

This summary highlights selected information about us, this offering and other information contained in this prospectus and the documents incorporated by reference herein. This summary is not complete and may not contain all of the information that is important to you.

**Business**

We are a managed care organization operating in the United States whose primary focus is Medicare, the federal government-sponsored health insurance program primarily for United States citizens aged 65 and older, qualifying disabled persons, and persons suffering from end-stage renal disease. Pursuant to the Medicare program, Medicare-eligible beneficiaries may receive healthcare benefits, including prescription drugs, through a managed care health plan. Medicare premiums, including premiums paid to our stand-alone prescription drug plans, accounted for substantially all of our revenue in 2010. Our total revenue in 2010 was approximately \$3.1 billion.

Our concentration on Medicare in general, and the Medicare Advantage program in particular, provides us with opportunities to understand the complexities of the Medicare program, design competitive products, better manage medical costs, and offer high quality healthcare benefits to Medicare beneficiaries in our service areas. Our Medicare Advantage experience also allows us to create coordinated care structures of comprehensive networks of local hospitals and physicians. We attempt to center our networks on a primary care physician, or PCP, who is experienced and effective in managing the healthcare needs of the Medicare population, and align our incentives with those of the PCP through a payment structure that rewards cost-effective care and improved outcomes.

We operate Medicare Advantage plans in Alabama, Delaware, Florida, Georgia, Illinois, Maryland, Mississippi, New Jersey, Pennsylvania, Tennessee, Texas and the District of Columbia. As of December 31, 2010, our Medicare Advantage plans had over 304,000 members. We also operate both national and regional stand-alone prescription drug plans, or PDPs, in accordance with Medicare Part D. As of December 31, 2010, our PDPs had over 724,000 members.

**Corporate Information**

We were incorporated in October 2004 in Delaware; however, our predecessor, NewQuest, LLC, commenced operations in 2000. We conducted our initial public offering in February 2006 and our common stock is listed on the New York Stock Exchange under the symbol HS . Our corporate headquarters are located at 9009 Carothers Parkway, Suite 501, Franklin, Tennessee 37067, and our telephone number is (615) 291-7000. Our corporate website address is [www.healthspring.com](http://www.healthspring.com). Information contained on our website is not incorporated by reference into this prospectus and we do not intend the information on or linked to our website to constitute part of this prospectus.

**Recent Developments**

Although the 2011 first quarter has not yet been completed, we currently believe that in the aggregate, our business is in line with management's expectations for this point in the year.

Opportunistic acquisitions of other health plans are an important element of our growth strategy and management believes that maintaining a flexible capital structure is important to allow us to respond to opportunities that may arise from time to time. As a result of recent health insurance reform legislation and other factors, we believe consolidation in the managed care industry will be likely and we will selectively pursue opportunistic acquisitions that are consistent with our strategic and financial objectives.



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**THE OFFERING**

|   |   |
|---|---|
| <b>Issuer</b>   | HealthSpring, Inc.  |
| <b>Common stock offered</b>   | 7,500,000 shares <sup>(1)</sup>   |
| <b>Common stock to be outstanding immediately after completion of this offering</b> | 66,554,532 shares   |
| <b>Use of proceeds</b>  | <p>At least 50% of the net cash proceeds will be used to prepay obligations under our existing credit facilities in accordance with the terms of our credit agreement.</p> <p>The remaining 50% of the net cash proceeds from this offering will be used for general corporate purposes. See Use of Proceeds.</p> |
| <b>New York Stock Exchange symbol</b>   | HS  |
| <b>Risk Factors</b>   | See Risk Factors beginning on page 4 and other information included and incorporated by reference in this prospectus for a discussion of factors you should carefully consider before deciding to invest in our common stock.   |

(1) Does not include 1,125,000 shares of common stock that may be purchased by the Goldman, Sachs & Co. pursuant to its option to purchase additional shares of common stock to cover over-allotments.

The number of shares of our common stock that will be outstanding immediately after this offering is based on 59,054,532 shares of our common stock issued and outstanding as of March 18, 2011. The number of shares outstanding, as used throughout this prospectus, unless otherwise indicated, does not include:

2,620,030 shares of common stock issuable upon the exercise of outstanding options for the purchase of our common stock; and

an aggregate of 4,511,049 shares of common stock reserved for future issuance under our equity incentive plans.

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**RISK FACTORS**

*Before deciding to invest in our common stock, you should carefully consider each of the risks and uncertainties described below and all of the other information set forth in this prospectus and incorporated in this prospectus by reference, including in Item 1A. Risk Factors in our Annual Report on Form 10-K for the year ended December 31, 2010. The risks and uncertainties described below and incorporated by reference herein are not the only ones facing us. Additional risks not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition, results of operations or prospects could be materially adversely affected by any of these risks. The market price of our common stock could decline due to any of these risks, and you may lose all or part of your investment. This prospectus, including the documents incorporated by reference herein, also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks faced by us described below, elsewhere in this prospectus and in our Annual Report on Form 10-K.*

**Risks Related to This Offering**

***Sales of a Significant Number of Shares of Our Common Stock in the Public Markets, or the Perception of Such Sales, Could Depress the Market Price of Our Common Stock.***

The issuance of new shares of our common stock in this offering could have the effect of depressing the market price for shares of our common stock, and resales after completion of this offering of our common stock could cause its market price to fall. Except as described in the section entitled Underwriting, we are not restricted from issuing additional shares of our common stock or securities that are convertible into or exchangeable for, or that represent the right to receive, our common stock. We evaluate opportunities to access the capital markets taking into account our financial condition and other relevant considerations. Subject to market conditions, we may take additional actions to raise capital. Such actions could include, among other things, the issuance of additional shares of our common stock.

The issuance of any additional shares of our common stock or securities convertible into or exchangeable for our common stock or that represent the right to receive our common stock, or the exercise of such securities, could be substantially dilutive to our earnings per share. The market price of our common stock could decline as a result of sales of shares of our common stock made in or after this offering or the perception that such sales could occur.

***Our Stock Price has been and is Likely to Continue to be Volatile, which Could Cause the Value of Your Investment to Decline.***

The market price of our common stock has been and is likely to continue to be highly volatile and subject to wide fluctuations in price. This volatility is in response to various factors, many of which are beyond our control, including:

actual or anticipated variations in quarterly operating results from historical results or estimates of results prepared by securities analysts;

additional changes in existing laws or regulations applicable to us, or their interpretations, or the enactment of new laws or the issuance of new regulations;

Medicare budget decreases or changes in Medicare premium levels or reimbursement methodologies;

expectations regarding increases or decreases in medical claims and medical care costs;

adverse publicity regarding HMOs, other managed care organizations and health insurers in general;

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conditions generally affecting the managed care industry or our provider networks;

announcements by us of significant acquisitions, strategic partnerships, joint ventures or capital commitments;

additions or departures of key personnel;

changes in financial estimates by securities analysts;

general economic conditions and interest rates; and

sales of our common stock.

General market fluctuations, industry factors, failure to comply with the laws and regulations applicable to us and general economic and geopolitical conditions and events also could cause our stock price to decrease. In addition, the stock market in general has experienced extreme volatility that has often been unrelated to the operating performance of a particular company. These broad market fluctuations also may adversely affect the market price of our common stock.

***Management will have Broad Discretion as to the Use of the Proceeds from this Offering***

Pursuant to the terms of our credit agreement, we are required to use 50% of the net proceeds from this offering to prepay obligations under our existing credit facilities. We have not designated any particular purpose for the amount of net proceeds remaining after we satisfy our prepayment obligations. Accordingly, our management will have broad discretion regarding the use of the remaining net proceeds from this offering and could use those proceeds for purposes other than those contemplated at the time of this offering. Our stockholders may not agree with the manner in which our management chooses to allocate and spend the net proceeds.

***We Do Not Pay Dividends on Our Common Stock and Do Not Anticipate Paying Cash Dividends on Our Common Stock in the Foreseeable Future.***

We have not declared or paid any cash dividends on our common stock since our incorporation and do not anticipate paying cash dividends in the foreseeable future. Our ability to pay cash dividends is limited by our credit agreement. As a holding company, our ability to pay cash dividends is also dependent on the availability of cash dividends and distributions from our regulated insurance subsidiaries, which are restricted by the laws of the states in which we operate, as well as limitations under our credit agreement. Any future determination to declare and pay dividends will be at the discretion of our board of directors, subject to compliance with applicable law and the other limitations described above. Because we do not anticipate paying cash dividends for the foreseeable future, holders of shares of our common stock will not realize a return on their investment unless the market price of our common stock appreciates, which we cannot assure.

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**USE OF PROCEEDS**

We estimate that the net proceeds we will receive from the sale of 7,500,000 shares of our common stock in this offering, after deducting estimated expenses payable by us, will be approximately \$      million, or approximately \$      million if the underwriter exercises its over-allotment option in full.

Pursuant to our credit agreement, at least 50% of the net proceeds from this offering will be applied to the repayment of term loans outstanding under our senior secured credit facilities. A portion of those term loans bear interest at LIBOR plus 3.75% and mature on February 11, 2015, and the remainder of those term loans bear interest at LIBOR plus 4.50% and mature on October 22, 2016.

We intend to use the remaining net proceeds from this offering for general corporate purposes. Our management will have broad discretion to allocate the remaining net proceeds from this offering for such purposes as potential acquisitions, repayment or repurchase of additional indebtedness, capital expenditures, and additions to working capital. Pending such uses, we plan to invest the net proceeds from this offering in highly liquid, secure short-term securities.

**Table of Contents****CAPITALIZATION**

The following table sets forth our capitalization as of December 31, 2010:

on an actual basis; and

on a pro forma basis as adjusted to give effect to this offering of shares of our common stock and the receipt of proceeds therefrom, after deducting estimated offering expenses payable by us and assuming no exercise of the underwriter's over-allotment option.

You should read this table in conjunction with "Use of Proceeds" section of this prospectus and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and our consolidated financial statements, including all related notes, included in our Annual Report on Form 10-K for the year ended December 31, 2010, incorporated by reference in this prospectus.

|  | <b>As of December 31, 2010</b> |                    |
|--|--------------------------------|--------------------|
|  | <b>Actual</b>                  | <b>As Adjusted</b> |
|  | <b>(Audited)</b>               | <b>(Unaudited)</b> |
|  | <b>(Dollars in thousands)</b>  |                    |
| Cash and cash equivalents  | \$ 191,459                     | \$                 |
| Long-term debt, including current portion:   | \$ 626,875                     | \$                 |
| Stockholders' equity:  |                                |                    |
| Common stock, \$0.01 par value, 180,000,000 shares authorized,<br>61,905,457 shares issued and 57,850,709 outstanding at December 31, 2010 | 619                            |                    |
| Additional paid-in capital   | 569,024                        |                    |
| Retained earnings  | 622,988                        |                    |
| Accumulated other comprehensive income, net of tax   | 1,495                          |                    |
| Treasury stock, at cost, 4,054,748 shares at December 31, 2010   | (61,995)                       |                    |
| Total stockholders' equity   | \$ 1,132,131                   | \$                 |
| Total capitalization   | \$ 1,759,006                   | \$                 |

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Our common stock is listed on the New York Stock Exchange under the symbol HS . The following table sets forth on a per share basis the low and high sales prices of our common stock as reported by the New York Stock Exchange since January 1, 2009.

|   | <b>Low</b> | <b>High</b> |
|---|------------|-------------|
| <b>Fiscal 2011:</b>                           | \$ 26.68   | \$ 39.19    |
| First Fiscal Quarter (through March 23, 2011) | 26.68      | 39.19       |
| <b>Fiscal 2010:</b>                           | \$ 14.66   | \$ 29.80    |
| Fourth Fiscal Quarter                         | 24.34      | 29.80       |
| Third Fiscal Quarter                          | 14.66      | 27.00       |
| Second Fiscal Quarter                         | 15.00      | 19.11       |
| First Fiscal Quarter                          | 16.51      | 20.50       |
| <b>Fiscal 2009:</b>                           | \$ 4.27    | \$ 20.36    |
| Fourth Fiscal Quarter                         | 11.83      | 18.38       |
| Third Fiscal Quarter                          | 10.12      | 14.80       |
| Second Fiscal Quarter                         | 7.91       | 11.91       |
| First Fiscal Quarter                          | 4.27       | 20.36       |

The closing price of our common stock on the New York Stock Exchange on March 23, 2011 was \$37.59 per share. As of March 18, 2011, we had 59,054,532 shares of our common stock issued and outstanding and we had approximately 128 holders of record.

We have not declared or paid any cash dividends on our common stock since our incorporation and do not anticipate paying cash dividends in the foreseeable future. Our ability to pay cash dividends is limited by our credit agreement. As a holding company, our ability to pay cash dividends is also dependent on the availability of cash dividends from our regulated insurance subsidiaries, which are restricted by the laws of the states in which we operate, as well as limitations under our credit agreement. Any future determination to declare and pay dividends will be at the discretion of our board of directors, subject to compliance with applicable law and the other limitations described above.

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**MATERIAL TAX CONSEQUENCES TO NON-UNITED STATES HOLDERS**

The following is a general discussion of the material United States federal income and estate tax considerations applicable to a non-U.S. holder (as defined below) with respect to the acquisition, ownership and disposition of our common stock as of the date hereof. This discussion is for general information only and is not tax advice. As used in this discussion, the term non-U.S. holder means a beneficial owner of our common stock that is, for United States federal income tax purposes, neither a partnership nor any of the following:

an individual who is a citizen or resident of the United States;

a corporation, or other entity treated as a corporation for U.S. federal income tax purposes, created or organized in or under the laws of the United States or any political subdivision of the United States;

an estate whose income is includible in gross income for United States federal income tax purposes regardless of its source; or

a trust, in general, if (a) a United States court is able to exercise primary supervision over the administration of the trust, and one or more United States persons have the authority to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable United States Treasury Regulations to be treated as a United States person.

If an entity classified as a partnership for United States federal income tax purposes holds our common stock, the tax treatment of a partner in such partnership generally depends on the status of the partner and the activities of the partnership. If you are a partnership holding our common stock, or a partner in such a partnership, you should consult your tax advisers.

An individual may be treated as a resident of the United States in any calendar year for United States Federal income tax purposes, instead of a nonresident, by, among other ways, being present in the United States on at least 31 days in that calendar year and for an aggregate of at least 183 days during the current calendar year and the two immediately preceding calendar years. For purposes of this calculation, you would count all of the days present in the current year, one-third of the days present in the immediately preceding year and one-sixth of the days present in the second preceding year. Residents are taxed for United States federal income purposes as if they were United States citizens.

This discussion does not consider:

United States state and local or non-United States tax consequences;

specific facts and circumstances that may be relevant to a particular non-U.S. holder's tax position, including, if the non-U.S. holder is a partnership, that the United States tax consequences of holding and disposing of our common stock may be affected by certain determinations made at the partner level;

the tax consequences to the stockholders or beneficiaries of a non-U.S. holder;

special tax rules that may apply to controlled foreign corporations, passive foreign investment companies and corporations that accumulate earnings to avoid United States federal income tax;

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special tax rules that may apply to particular non-U.S. holders, including financial institutions, insurance companies, tax-exempt organizations, United States expatriates, broker-dealers and traders in securities; or

special tax rules that may apply to a non-U.S. holder that holds our common stock as part of a straddle, hedge, conversion transaction or other integrated investment.

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The following discussion is based on provisions of the United States Internal Revenue Code of 1986, as amended, applicable United States Treasury Regulations promulgated thereunder and administrative and judicial interpretations, all as in effect on the date of this prospectus supplement, and all of which are subject to change, retroactively or prospectively. Any changes could alter the tax consequences to non-U.S. holders described in this prospectus supplement. The following discussion also assumes that a non-U.S. holder holds our common stock as a capital asset.

### **EACH NON-U.S. HOLDER IS URGED TO CONSULT ITS TAX ADVISER REGARDING THE UNITED STATES FEDERAL, STATE, LOCAL, AND NON-UNITED STATES INCOME AND OTHER TAX CONSEQUENCES OF ACQUIRING, HOLDING AND DISPOSING OF SHARES OF OUR COMMON STOCK.**

#### **Distributions on Our Common Stock**

Distributions on our common stock generally will constitute dividends for United States federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under United States federal income tax principles. If a distribution exceeds our current and accumulated earnings and profits as determined under United States federal income tax principles, the excess will be treated first as a tax-free return of your adjusted tax basis in our common stock and thereafter as capital gain, subject to the tax treatment described below in Sale, Exchange or Other Disposition of Our Common Stock.

The gross amount of dividends paid to a non-U.S. holder of our common stock ordinarily will be subject to withholding of United States federal income tax at a 30% rate, or at a lower rate if an applicable income tax treaty so provides and we have received proper certification of the application of that treaty.

If you are a non-U.S. holder and conduct a trade or business within the United States, you generally will be taxed at ordinary United States federal income tax rates (on a net income basis) on dividends that are effectively connected with the conduct of such trade or business or, if certain tax treaties apply, on dividends that are attributable to your permanent establishment in the United States, and such dividends will not be subject to the withholding described above. If you are a non-United States corporation, you may also be subject to a 30% branch profits tax unless you qualify for a lower rate under an applicable United States income tax treaty.

Generally, to claim the benefit of any applicable United States tax treaty or an exemption from withholding because the income is effectively connected with the conduct of a trade or business in the United States, you must provide a properly executed IRS Form W-8BEN for treaty benefits or IRS Form W-8ECI for effectively connected income (or such successor form as the IRS designates), before the distributions are made. These forms must be periodically updated. If you are a non-U.S. holder, you may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. holders should consult their tax advisers regarding their entitlement to benefits under an applicable income tax treaty and the specific manner of claiming the benefits of the treaty.

#### **Sale, Exchange or Other Disposition of Our Common Stock**

A non-U.S. holder generally will not be taxed on gain recognized on a disposition of our common stock unless:

the non-U.S. holder is an individual who is present in the United States for 183 days or more during the taxable year of the disposition and meets certain other conditions;

the gain is effectively connected with the non-U.S. holder's conduct of trade or business in the United States and, in some instances if an income tax treaty applies, is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States; or

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we are or have been a United States real property holding corporation for U.S. Federal income tax purposes at any time during the shorter of the five-year period ending on the date of disposition and the period that the non-U.S. holder held our common stock.

We have determined that we are not, and we believe we will not become, a United States real property holding corporation.

An individual non-U.S. holder described in the first bullet point immediately above is taxed on the non-U.S. holder's gains (including gain from the sale of our common stock, net of applicable United States source losses incurred on sales or exchanges of other capital assets during the year) at a flat rate of 30%. Other non-U.S. holders who may be subject to United States federal income tax on the disposition of our common stock will be taxed on the disposition in the same manner in which citizens or residents of the United States would be taxed.

## **Federal Estate Tax**

Common stock owned or treated as owned by an individual who is not a citizen or resident of the United States will be included in the individual's gross estate for United States federal estate tax purposes. Such shares, therefore, may be subject to United States federal estate tax unless an applicable estate tax or other treaty provides otherwise.

## **Information Reporting and Backup Withholding**

United States backup withholding and information reporting requirements generally apply to certain payments to certain holders of our common stock. Information reporting generally will apply to payments of dividends on, and to proceeds from the sale or redemption of, common stock within the United States, or by a United States payor or United States middleman, to a holder of common stock, that is not an exempt recipient (which includes a payee that is not a United States person and provides an appropriate certification and certain other persons). A payor will be required to withhold backup withholding from such payments of dividends or proceeds, if such holder fails to furnish its correct taxpayer identification number or otherwise fails to comply with, or establish an exemption from, such backup withholding requirements. The backup withholding rate currently is 28%.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules from a payment to a non-U.S. holder can be refunded or credited against the non-U.S. holder's United States federal income tax liability, if any, provided that the required information is furnished to the IRS in a timely manner.

**NON-U.S. HOLDERS ARE URGED TO CONSULT THEIR TAX ADVISERS REGARDING THE APPLICATION OF THE INFORMATION REPORTING AND BACKUP WITHHOLDING RULES TO THEM.**

## **Recently Enacted Legislation**

Recently enacted legislation will require, after December 31, 2012, withholding at a rate of 30% on dividends in respect of, and gross proceeds from the sale of, our common stock held by or through certain foreign financial institutions (including investment funds), unless such institution enters into an agreement with the Secretary of the Treasury to report, on an annual basis, information with respect to shares in, and accounts maintained by, the institution held by certain U.S. persons and by certain non-U.S. entities that are wholly or partially owned by U.S. persons. Accordingly, the entity through which our common stock is held will affect the determination of whether such withholding is required. Similarly, dividends in respect of, and gross proceeds from the sale of, our common stock held by an investor that is a non-financial non-U.S. entity will be subject to withholding at a rate of

30%, unless such entity either (i) certifies to us that such entity does not have any substantial United States owners or (ii) provides certain information regarding the entity's substantial United States owners, which we will in turn provide to the Secretary of the Treasury. Non-U.S. holders are encouraged to consult with their tax advisors regarding the possible implications of the legislation on their investment in our common stock.

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**UNDERWRITING**

We and Goldman, Sachs & Co. have entered into an underwriting agreement with respect to the shares being offered. Subject to certain conditions, Goldman, Sachs & Co. has agreed to purchase all of the 7,500,000 shares offered hereby.

If Goldman, Sachs & Co. sells more than the total number of shares set forth above, then Goldman, Sachs & Co. has an option to buy up to an additional 1,125,000 shares from the Company. Goldman, Sachs & Co. may exercise that option for 30 days.

We have agreed to indemnify Goldman, Sachs & Co. against certain liabilities, including liabilities under the Securities Act, or to contribute to payments Goldman, Sachs & Co. may be required to make in respect of those liabilities.

Goldman, Sachs & Co. may receive from purchasers of the shares normal brokerage commissions in amounts agreed with such purchasers.

Goldman, Sachs & Co. proposes to offer the shares of common stock from time to time for sale in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices, subject to receipt and acceptance by it and subject to its right to reject any order in whole or in part. In connection with the sale of the shares of common stock offered hereby, Goldman, Sachs & Co. may be deemed to have received compensation in the form of underwriting discounts. Goldman, Sachs & Co. may effect such transactions by selling shares of common stock to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from Goldman, Sachs & Co. and / or purchasers of shares of common stock for whom they may act as agents or to whom they may sell as principal.

In connection with the offering, Goldman, Sachs & Co. may purchase and sell shares of our common stock in the open market. These transactions may include short sales and purchases to cover positions created by short sales. Short sales involve the sale by Goldman, Sachs & Co. of a greater number of shares than it is required to purchase in the offering. Goldman, Sachs & Co. will need to close out any short sale by purchasing shares in the open market. Goldman, Sachs & Co. is likely to create a short position if it is concerned that there may be downward pressure on the price of our common stock in the open market after pricing that could adversely affect investors who purchase in the offering.

Purchases to cover a short position, as well as other purchases by Goldman, Sachs & Co. for its own account, may have the effect of preventing or retarding a decline in the market price of our common stock, and may maintain or otherwise affect the market price of our common stock. As a result, the price of our common stock may be higher than the price that otherwise might exist in the open market. If these activities are commenced, they may be discontinued at any time. These transactions may be effected on the New York Stock Exchange, in the over-the-counter market or otherwise.

**No Sales of Similar Securities**

We and our executive officers and directors have agreed not to sell or transfer any common stock or securities convertible into, exchangeable for or exercisable for common stock, for 90 days from the date of this prospectus without first obtaining the written consent of Goldman, Sachs & Co., subject to limited exceptions to our executive officers. Specifically, we and these other persons have agreed, with certain limited exceptions, not to directly or

indirectly sell, offer, contract to sell, transfer the economic risk of ownership in, make any short sale, pledge or otherwise dispose of any shares of our capital stock or any securities convertible into or exchangeable or exercisable for or any other rights to purchase or acquire our capital stock for a period of 90 days from the effective date of the registration statement.

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This lock-up provision applies to our common stock and to securities convertible into or exchangeable or exercisable for or repayable with our common stock. It also applies to common stock owned now or acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition.

**New York Stock Exchange Listing**

The shares of our common stock are listed on the New York Stock Exchange under the symbol HS .

**Other Relationships**

Goldman, Sachs & Co. and its affiliates are full service financial institutions engaged in various activities, which may include securities trading, commercial and investment banking, financial advisory, investment management, investment research, principal investment, hedging, financing and brokerage activities. Goldman, Sachs & Co. and its affiliates have, from time to time, performed, and may in the future perform, various financial advisory and investment banking services for us, for which they received or will receive customary fees and expenses.

In the ordinary course of their various business activities, Goldman, Sachs & Co. and its affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own accounts and for the accounts of their customers, and such investment and securities activities may involve securities and/or instruments of the issuer. Goldman, Sachs & Co. and its affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or instruments and may at any time hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

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**LEGAL MATTERS**

The validity of the securities offered by this prospectus will be passed upon for the Company by Bass, Berry & Sims PLC, Nashville, Tennessee. Certain legal matters in connection with this offering will be passed upon for Goldman, Sachs & Co. by Skadden, Arps, Slate, Meagher & Flom LLP, New York, New York.

**EXPERTS**

The consolidated financial statements of the Company incorporated in this prospectus by reference to our Annual Report on Form 10-K for the year ended December 31, 2010, and the Company's internal control over financial reporting have been audited by KPMG LLP, an independent registered public accounting firm, as stated in their reports, which are incorporated herein by reference. Such consolidated financial statements have been incorporated herein in reliance upon the reports of such firm given upon their authority as experts in accounting and auditing.

The consolidated financial statements of Bravo Health, Inc. for the years ended December 31, 2009 and 2008 incorporated in this prospectus by reference to our Current Report on Form 8-K/A filed with the SEC on February 11, 2011, have been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their report, which is incorporated herein by reference. Such consolidated financial statements have been incorporated herein in reliance upon the report of such firm given on their authority as experts in accounting and auditing.

**WHERE YOU CAN FIND MORE INFORMATION**

We are subject to the informational requirements of the Exchange Act. Accordingly, we file current, quarterly and annual reports, proxy statements and other information with the SEC. You may read and copy these reports, proxy statements and other information at the SEC's Public Reference Room at 100 F Street, N.E., Washington, D.C. 20549. Please call 1-800-SEC-0330 for further information on the operation of the SEC's Public Reference Room. Our SEC filings also are available to the public at the Internet website maintained by the SEC at [www.sec.gov](http://www.sec.gov).

We also make available free of charge through our website our Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act, our definitive proxy statements and Section 16 reports on Forms 3, 4 and 5, as soon as reasonably practicable after we electronically file such reports or amendments with, or furnish them to, the SEC. Our Internet website address is [www.healthspring.com](http://www.healthspring.com). The information located on, or hyperlinked or otherwise connected to, our website is not, and shall not be deemed to be, a part of this prospectus or incorporated into any other filings that we make with the SEC.

**INCORPORATION OF CERTAIN INFORMATION BY REFERENCE**

We incorporate information into this prospectus by reference, which means that we disclose important information to you by referring you to another document filed separately with the SEC. The information incorporated by reference is deemed to be part of this prospectus, except to the extent superseded by information contained herein or by information contained in documents filed with the SEC after the date of this prospectus. This prospectus incorporates by reference the documents set forth below that have been previously filed with the SEC (other than, in each case, documents or information deemed to have been furnished and not filed in accordance with SEC rules):

our Annual Report on Form 10-K for the year ended December 31, 2010, filed with the SEC on February 25, 2011;

our Current Report on Form 8-K/A filed with the SEC on February 11, 2011; and

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the description of our common stock set forth in our Registration Statement on Form 8-A filed with the SEC on January 30, 2006, including any amendment or report filed for the purpose of updating such description.

We also incorporate by reference into this prospectus additional documents that we may file with the SEC under Section 13(a), 13(c), 14 or 15(d) of the Exchange Act, from the date of this prospectus until all of the shares of our common stock offered by this prospectus have been sold or we otherwise terminate the offering of these shares of our common stock; provided, however, that we are not incorporating by reference any additional documents or information furnished and not filed with the SEC.

You may obtain copies of any of these filings by contacting us at the following address and phone number or by contacting the SEC as described above. Documents incorporated by reference are available from us without charge, excluding all exhibits unless an exhibit has been specifically incorporated by reference into this prospectus, by requesting them in writing, by telephone or via the Internet at:

HealthSpring, Inc.  
9009 Carothers Parkway Suite 501  
Franklin, Tennessee 37067  
Attn: Corporate Secretary  
Telephone: (615) 291-7000  
Internet Website: [www.healthspring.com](http://www.healthspring.com)

The information contained on our website does not constitute a part of this prospectus, and our website address supplied above is intended to be an inactive textual reference only and not an active hyperlink to our website.

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**PART II**

**INFORMATION NOT REQUIRED IN PROSPECTUS**

**Item 14. *Other Expenses of Issuance and Distribution.***

The following table sets forth an estimate of costs and expenses to be paid by us in connection with the offering of the securities being registered by this registration statement. All of the amounts shown are estimates:

|                                     |        |
|-------------------------------------|--------|
| SEC Registration Fee                | *      |
| New York Stock Exchange Listing Fee | **     |
| Printing Fees and Expenses          | **     |
| Legal Fees and Expenses             | **     |
| Accounting Fees and Expenses        | **     |
| Miscellaneous                       | **     |
| <br>Total                           | <br>** |

\* Payable in accordance with Rules 456(b) and 457(r).

\*\* This information is not presently known.

**Item 15. *Indemnification of Directors and Officers.***

Our amended and restated certificate of incorporation contains provisions permitted under Delaware law relating to the liability of directors. These provisions eliminate a director's personal liability for monetary damages resulting from a breach of fiduciary duty, except in circumstances involving wrongful acts, such as:

- any breach of the director's duty of loyalty to us or our stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of the law;
- any act related to unlawful stock repurchases, redemptions or other distribution or payments of dividends; or
- any transaction from which the director derived an improper personal benefit.

These provisions do not limit or eliminate our rights or any stockholder's rights to seek non-monetary relief, such as an injunction or rescission, in the event of a breach of a director's fiduciary duty. These provisions will not alter a director's liability under federal securities laws.

As permitted by Section 145 of the Delaware General Corporation Law, our amended and restated certificate of incorporation requires us to indemnify our directors and executive officers to the fullest extent not prohibited by Delaware law. We may decline to indemnify any director or executive officer in connection with any proceeding initiated by such person or any proceeding by such person against us or our directors, officers, employees or other agents, unless such indemnification is expressly required to be made by law or the proceeding was authorized by our Board of Directors.

We have entered into indemnity agreements with each of our current directors and our executive officers to give such directors and officers additional contractual assurances regarding the scope of the indemnification set forth in our amended and restated certificate of incorporation and to provide additional procedural protections. At present, there is no pending litigation or proceeding involving any of our directors, officers or employees for which indemnification is sought, nor are we aware of any threatened litigation that may result in claims for indemnification.

We have the power to indemnify our other officers, employees and other agents, as permitted by Delaware law, but are not required to do so.

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We maintain directors' and officers' insurance and company reimbursement policy. The policy insures our directors and officers against unindemnified losses arising from certain wrongful acts in their capacities as directors and officers and reimburses us for those losses for which we have lawfully indemnified our directors and officers. The policy contains various exclusions, none of which apply to this offering.

**Item 16. Exhibits.**

| <b>Exhibit<br/>Number</b> | <b>Exhibit Description</b>   |
|---------------------------|--|
| 3.1                       | Form of Amended and Restated Certificate of Incorporation of the Company (Previously filed as an Exhibit to the Company's Registration Statement on Form S-1 (File No. 333-128939), filed October 11, 2005, as amended, and incorporated herein by reference).   |
| 3.2                       | Form of Second Amended and Restated Bylaws of the Company (Previously filed as an Exhibit to the Company's Registration Statement on Form S-1 (File No. 333- 128939), filed October 11, 2005, as amended, and incorporated herein by reference).   |
| 4.1                       | Specimen of Common Stock Certificate (Previously filed as an Exhibit to the Company's Registration Statement on Form S-1 (File No. 333- 128939), filed October 11, 2005, as amended, and incorporated herein by reference).  |
| 4.2                       | Registration Rights Agreement, dated as of October 1, 2007, by and between the Company and the former stockholders of Leon Medical Centers Health Plans, Inc. (Previously filed as an Exhibit to the Company's Current Report on Form 8-K, filed October 4, 2007, and incorporated herein by reference). |
| *5.1                      | Opinion of Bass, Berry & Sims PLC.   |
| *23.1                     | Consent of KPMG LLP.   |
| *23.2                     | Consent of Ernst & Young LLP.  |
| *23.3                     | Consent of Bass, Berry & Sims PLC (included in Exhibit 5.1).   |
| *24.1                     | Power of Attorney (included in Part II of this Registration Statement).  |

\* Filed herewith.

**Item 17. Undertakings.**

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933, as amended (the "Securities Act");

(ii) To reflect in the prospectus any facts or events arising after the effective date of this registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in this registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the SEC pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in this registration statement or any material change to such information in this registration statement;

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provided, however, that paragraphs (a)(1)(i), (a)(1)(ii) and (a)(1)(iii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the SEC by the registrant pursuant to Sections 13 or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act ) that are incorporated by reference in the registration statement, or is contained in a form of prospectus filed pursuant to Rule 424(b) that is part of the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) That, for the purpose of determining liability under the Securities Act to any purchaser:

(i) Each prospectus filed by the registrant pursuant to Rule 424(b)(3) shall be deemed to be part of the registration statement as of the date the filed prospectus was deemed part of and included in the registration statement; and

(ii) Each prospectus required to be filed pursuant to Rule 424(b)(2), (b)(5), or (b)(7) as part of a registration statement in reliance on Rule 430B relating to an offering made pursuant to Rule 415(a)(1)(i), (vii), or (x) for the purpose of providing the information required by Section 10(a) of the Securities Act shall be deemed to be part of and included in the registration statement as of the earlier of the date such form of prospectus is first used after effectiveness or the date of the first contract of sale of securities in the offering described in the prospectus. As provided in Rule 430B, for liability purposes of the issuer and any person that is at that date an underwriter, such date shall be deemed to be a new effective date of the registration statement relating to the securities in the registration statement to which that prospectus relates, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof. Provided, however, that no statement made in a registration statement or prospectus that is part of the registration statement or made in a document incorporated or deemed incorporated by reference into the registration statement or prospectus that is part of the registration statement will, as to a purchaser with a time of contract of sale prior to such effective date, supersede or modify any statement that was made in the registration statement or prospectus that was part of the registration statement or made in any such document immediately prior to such effective date.

(5) That, for the purpose of determining liability of the registrant under the Securities Act to any purchaser in the initial distribution of the securities, the undersigned registrant undertakes that in a primary offering of securities of the undersigned registrant pursuant to this registration statement, regardless of the underwriting method used to sell the securities to the purchaser, if the securities are offered or sold to such purchaser by means of any of the following communications, the undersigned registrant will be a seller to the purchaser and will be considered to offer or sell such securities to such purchaser:

(i) Any preliminary prospectus or prospectus of the undersigned registrant relating to the offering required to be filed pursuant to Rule 424;

(ii) Any free writing prospectus relating to the offering prepared by or on behalf of the undersigned registrant or used or referred to by the undersigned registrant;

(iii) The portion of any other free writing prospectus relating to the offering containing material information about the undersigned registrant or its securities provided by or on behalf of the undersigned registrant; and



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(iv) Any other communication that is an offer in the offering made by the undersigned registrant to the purchaser.

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act, each filing of the registrant's annual report pursuant to Section 13(a) or 15(d) of the Exchange Act and (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in the registration statement shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(d) The undersigned registrant hereby undertakes that,

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b) (1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

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**SIGNATURES**

Pursuant to the requirements of the Securities Act, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Franklin, State of Tennessee, on March 24, 2011.

**HEALTHSPRING, INC.**

By: /s/ Karey L. Witty

Karey L. Witty  
Executive Vice President and Chief Financial Officer

**POWER OF ATTORNEY**

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below hereby constitutes and appoints J. Gentry Barden, Karey L. Witty and Herbert A. Fritch (with full power to each of them to act alone) as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution, for him and in his name, place and stead in any and all capacities to sign any and all amendments or post-effective amendments to this Registration Statement, and to file the same with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, to sign any and all applications, registration statements, notices or other document necessary or advisable to comply with the applicable state securities laws, and to file the same, together with all other documents in connection therewith, with the appropriate state securities authorities, granting unto said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, thereby ratifying and confirming all that said attorneys-in-fact and agents or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act, this registration statement has been signed by the following persons in the capacities and on the dates indicated.

| <b>Signature</b>      | <b>Title</b>  | <b>Date</b>    |
|-----------------------|---|----------------|
| /s/ Herbert A. Fritch | Chairman of the Board of Directors and<br>Chief Executive Officer | March 24, 2011 |
| Herbert A. Fritch     | (Principal Executive Officer)                                     |                |
| /s/ Karey L. Witty    | Executive Vice President and<br>Chief Financial Officer           | March 24, 2011 |
| Karey L. Witty        | (Principal Financial and Accounting Officer)                      |                |
|                       | Director  | March 24, 2011 |
| Jeffrey M. Folick     |   |                |
|                       | Director  | March 24, 2011 |

John T. Fox

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| <b>Signature</b>                                 | <b>Title</b> | <b>Date</b>    |
|--|--------------|----------------|
| /s/ Bruce M. Fried<br>Bruce M. Fried             | Director     | March 24, 2011 |
| Robert Z. Hensley                                | Director     | March 24, 2011 |
| /s/ Benjamin Leon, Jr.<br>Benjamin Leon, Jr.     | Director     | March 24, 2011 |
| /s/ Sharad Mansukani<br>Sharad Mansukani         | Director     | March 24, 2011 |
| /s/ Russell K. Mayerfeld<br>Russell K. Mayerfeld | Director     | March 24, 2011 |
| /s/ Joseph P. Nolan<br>Joseph P. Nolan           | Director     | March 24, 2011 |

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**EXHIBIT INDEX**

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| *24.1                 | Power of Attorney (included in Part II of this Registration Statement).  |

\* Filed herewith.