

MERGE HEALTHCARE INC
 Form 4
 June 18, 2014

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 *
STEARNS NEELE E

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)

3. Date of Earliest Transaction (Month/Day/Year)
06/16/2014

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

350 NORTH ORLEANS STREET,, FIRST FLOOR

(Street)

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

CHICAGO, IL 60654

(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 Beneficial Ownership (Instr. 4)
			Code	V	Amount or Price		
Restricted Common Stock	06/16/2014		A		43,860 (1)	A	\$ 0 43,860 D
Restricted Common Stock	06/16/2014		A		8,772 (2)	A	\$ 0 8,772 D
Common Stock							221,610 I Partnership (3)

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

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(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. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
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Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STEARNS NEELE E 350 NORTH ORLEANS STREET, FIRST FLOOR CHICAGO, IL 60654	X			

Signatures

/s/ Julie Ann B. Schumitsch, by Power of Attorney for Neele E. Stearns, Jr.

06/18/2014

__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) Restricted Stock Award granted pursuant to the 2005 Equity Incentive Plan (a Rule 16b-3 shareholder approved employee benefit plan) of Merge Healthcare Incorporated. Restrictions on such shares shall lapse and such shares shall become immediately and fully vested on June 16, 2015, one year from date of grant, subject to additional terms and conditions as set forth in the restricted stock award agreement.

(2) Restricted Stock Award granted pursuant to the 2005 Equity Incentive Plan (a Rule 16b-3 shareholder approved employee benefit plan) of Merge Healthcare Incorporated. Restrictions on such shares shall lapse and such shares shall become immediately and fully vested to the extent of one fourth of such shares on each of September 16, 2014, December 16, 2014, March 16, 2015 and June 16, 2015, subject to additional terms and conditions as set forth in the restricted stock award agreement.

(3) Shares of Common Stock held by S I P of Illinois Limited Partnership, of which Mr. Stearns is a partner, the beneficial ownership of which Mr. Stearns disclaims.

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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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