

HEALTHWAYS, INC
Form 4
May 15, 2007

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 *
LEEDLE BEN R JR

(Last) (First) (Middle)

3841 GREEN HILLS VILLAGE DR

(Street)

NASHVILLE, TN 37215

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
HEALTHWAYS, INC [HWAY]

3. Date of Earliest Transaction
(Month/Day/Year)
05/29/2002

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

President and CEO

6. Individual or Joint/Group Filing(Check Applicable Line)
 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 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 Ownership (Instr. 4) | | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|-----|-------|
| | | | | (A) or (D) | 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 information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 Derivative Security | 2. Conversion or Exercise | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any | 4. Transaction Code | 5. Number of Derivative Securities | 6. Date Exercisable and Expiration Date (Month/Day/Year) | 7. Title and Amount of Underlying Securities (Instr. 3 and 4) |
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|
|---------------------------------|---------------------------|--------------------------------------|-----------------------------------|---------------------|------------------------------------|--|---|

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| (Instr. 3) | Price of Derivative Security | (Month/Day/Year) | (Instr. 8) | Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5) | Code | V | (A) | (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
|------------------|------------------------------------|------------------|------------------|---|------|---|-------------------------|-----|---------------------------|--------------------|-----------------|--|
| Option to Buy | \$ 2.78 ⁽⁵⁾ | 05/29/2002 | J ⁽¹⁾ | | | | 5,625 ⁽⁵⁾ | | 03/19/1999 ⁽²⁾ | 03/19/2008 | Common Stock | 5,625 ⁽⁵⁾ |
| Option to Buy | \$ 2.48 ⁽⁵⁾ | 05/29/2002 | J ⁽¹⁾ | | | | 9,188 ⁽⁵⁾ | | 09/29/1999 ⁽³⁾ | 09/29/2008 | Common Stock | 9,188 ⁽⁵⁾ |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------|-------|
| | Director | 10% Owner | Officer | Other |
| LEEDLE BEN R JR 3841 GREEN HILLS VILLAGE DR NASHVILLE, TN 37215 | | | President and CEO | |

Signatures

/s/ Mary A. Chaput, by power of attorney for Ben R.
Leedle, Jr. 05/15/2007

__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).
- Pursuant to a Marital Dissolution Agreement effective May 29, 2002, the Reporting Person transferred all of the economic benefits of the reported options to his ex-wife. Under the Company's 1996 Stock Incentive Plan, as amended, the reported options are not transferable to
- (1) the Reporting Person's ex-wife, and therefore, the Reporting Person is deemed to hold the reported options solely for the benefit of his ex-wife and must exercise the options solely at the direction of his ex-wife, who is entitled to the shares issued upon exercise. The Reporting Person disclaims all beneficial ownership of the reported options.
 - (2) Option vested 25% per year beginning on 3/19/1999.
 - (3) Option vested 25% per year beginning on 9/29/1999.
 - (4) Information in this column is left blank because the transaction represents the transfer of a security.
 - (5) Reflects the November 2001 three-for-two stock split and the December 2003 two-for-one stock split.

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.