

HealthMarkets, Inc.  
Form 4  
September 28, 2006

**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 \*

BOXER 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)  
09/26/2006

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 below) \_\_\_ Other (specify below)  
EVP and CFO

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 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.

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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 Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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Security (Instr. 3)	or Exercise Price of Derivative Security	any (Month/Day/Year)	Code (Instr. 8)	Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	(Month/Day/Year)	(Instr. 3 and 4)				
			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option	\$ 38.37	09/26/2006	A		35,167		09/26/2007 <sup>(1)</sup>	09/26/2016	Class A-1 Common Stock	35,167
Stock Option	\$ 0 <sup>(2)</sup>	09/26/2006	A		35,166		09/26/2007 <sup>(3)</sup>	09/26/2016	Class A-1 Common Stock	35,166

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BOXER MICHAEL 9151 BOULEVARD 26 NORTH RICHLAND HILLS, TX 76180			EVP and CFO	

## Signatures

Michael E. Boxer By /s/ Peggy G. Simpson,  
POA 09/28/2006

\_\_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) The options vest in 20% increments on each of the first, second, third, fourth and fifth anniversaries of September 26, 2006.

(2) The initial exercise price of the option is \$38.37. The exercise price of the option will accrete by 10% per year, starting on September 26, 2008. If the optionee exercises the option prior to September 26, 2008, the exercise price will be \$38.37. If the optionee exercises the option on or after September 26, 2008 but prior to September 26, 2009, the exercise price will be \$42.21. If the optionee exercises the option on or after September 26, 2009 but prior to September 26, 2010, the exercise price will be \$46.43. If the optionee exercises the option on or after September 26, 2010 but prior to September 26, 2011, the exercise price will be \$51.07. If the optionee exercises the option on or after September 26, 2011, the exercise price will be \$56.18.

(3) The options vest in different increments on each of the first five anniversaries of September 26, 2006. Twenty-five percent of the options vest on September 26, 2007. Twenty-five percent of the options vest on September 26, 2008. Seventeen percent of the options vest on September 26, 2009. Seventeen percent of the options vest on September 26, 2010. The remaining sixteen percent of the options vest on September 26, 2011.

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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