

Wales Dirk O
 Form 4
 February 01, 2012

FORM 4

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

OMB APPROVAL

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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 *
 Wales Dirk O

(Last) (First) (Middle)
 9009 CAROTHERS
 PARKWAY, SUITE 501
 (Street)

FRANKLIN, TN 37067

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol
 HealthSpring, Inc. [HS]

3. Date of Earliest Transaction (Month/Day/Year)
 01/31/2012

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)
 SVP ? Chief Medical Officer

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)
			Code	V	Amount (A) or (D) Price		
Common Stock	01/31/2012		D		38,845 (1)	D	(2)
Common Stock	01/31/2012		D		485	D	(3)
Common Stock	01/31/2012		D		2,653	D	(4)
Common Stock	01/31/2012		D		4,121	D	(5)
Common Stock	01/31/2012		D		1,332	D	(6)

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Common Stock	01/31/2012	D	1,369	D	(7)	0	D
Common Stock	01/31/2012	A	855 (8)	A	\$ 0	855	D
Common Stock	01/31/2012	D	855	D	(9)	0	D

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)
				Code V (A) (D)		Date Exercisable Expiration Date	Title Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 19.5	01/31/2012		D	17,252	(10) 02/19/2018	Common Stock 17,252

Reporting Owners

Reporting Owner Name / Address	Relationships
Wales Dirk O 9009 CAROTHERS PARKWAY SUITE 501 FRANKLIN, TN 37067	Director 10% Owner Officer SVP ? Chief Medical Officer

Signatures

/s/ J. Gentry Barden,
Attorney-in-Fact

02/01/2012

**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) Includes 807 restricted shares of Company common stock which, upon the effective time of the merger (as described below), accelerated and fully vested pursuant to the terms of the HealthSpring, Inc. Management Stock Purchase Plan.
- Pursuant to the terms of the Agreement and Plan of Merger, dated as of October 24, 2011, by and among HealthSpring, Inc. (the "Company"), Cigna Corporation ("Cigna") and Cigna Magnolia Corp., an indirect wholly-owned subsidiary of Cigna, each share of the
- (2) Company's common stock owned by the reporting person immediately prior to the effective time of the merger was, upon the effective time of the merger, converted into the right to receive \$55.00 per share in cash, without interest and less any applicable withholding taxes.
- Pursuant to the Merger Agreement, at the effective time of the merger, this award of restricted shares of Company common stock granted under the HealthSpring, Inc. 2006 Amended and Restated Equity Incentive Plan (the "2006 Plan") was assumed by Cigna and replaced with an award of 600 restricted shares of Cigna common stock. This award, which initially represented an award of 1,939 restricted shares of Company common stock (restrictions previously lapsed with respect to 1,454 shares), provided for restrictions with respect to these shares to lapse as follows: 50% on February 19, 2010; 25% on February 19, 2011; and 25% on February 19, 2012.
- (3) Pursuant to the Merger Agreement, at the effective time of the merger, this award of restricted shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an award of 3,284 restricted shares of Cigna common stock. This award, which initially represented an award of 5,305 restricted shares of Company common stock (restrictions previously lapsed with respect to 2,652 shares), provided for restrictions with respect to these shares to lapse as follows: 50% on February 13, 2011; 25% on February 13, 2012; and 25% on February 13, 2013.
- (4) Pursuant to the Merger Agreement, at the effective time of the merger, this award of restricted shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an award of 5,101 restricted shares of Cigna common stock. This award provided for restrictions with respect to these shares to lapse as follows: 50% on February 11, 2012; 25% on February 11, 2013; and 25% on February 11, 2014.
- (5) Pursuant to the Merger Agreement, at the effective time of the merger, this award of restricted shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an award of 1,648 restricted shares of Cigna common stock. This award provided for restrictions with respect to these shares to lapse as follows: 50% on March 7, 2013; 25% on March 7, 2014; and 25% on March 7, 2015.
- (6) Pursuant to the Merger Agreement, at the effective time of the merger, this award of restricted shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an award of 1,694 restricted shares of Cigna common stock. This award provided for restrictions with respect to these shares to lapse as follows: 50% on January 18, 2014; 25% on January 18, 2015; and 25% on January 18, 2016.
- (7) The reporting person was previously awarded 855 restricted shares of Company common stock under the 2006 Plan that vested over time based on future Company performance. Pursuant to the terms of the award, upon the effective time of the merger, the performance goals were deemed to have been met. The award provided for restrictions with respect to these shares to then lapse as follows: 50% on March 7, 2013; 25% on March 7, 2014; and 25% on March 7, 2015.
- (8) Pursuant to the Merger Agreement, at the effective time of the merger, this award of restricted shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an award of 1,058 restricted shares of Cigna common stock.
- (9) Pursuant to the Merger Agreement, at the effective time of the merger, this option to purchase shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an option to purchase 21,356 shares of Cigna common stock for \$15.76 per share. This option provided for vesting as follows: 50% on February 19, 2010; 25% on February 19, 2011; and 25% on February 19, 2012.
- (10)

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.