#### MURRAY JAMES E

Form 4

March 03, 2011

# FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

**SECURITIES** 

OMB Number:

3235-0287

Expires:

January 31, 2005

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**OMB APPROVAL** 

if no longer subject to Section 16. Form 4 or Form 5 obligations

may continue.

See Instruction

Check this box

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

1(b).

(Print or Type Responses)

| 1. Name and Address of Reporting Person * MURRAY JAMES E |  |           | 2. Issuer Name <b>and</b> Ticker or Trading<br>Symbol<br>HUMANA INC [HUM] | 5. Relationship of Reporting Person(s) to Issuer  (Check all applicable)                  |  |  |
|--|--|-----------|---|---|--|--|
| (Last) (First) (Middle)                                  |  | (Middle)  | 3. Date of Earliest Transaction   | (Check all applicable)  |  |  |
|  |  |           | (Month/Day/Year)  | Director 10% Owner  |  |  |
| HUMANA INC., 500 WEST MAIN<br>STREET                     |  | VEST MAIN | 03/03/2011  | _X_ Officer (give title Other (specify below)   |  |  |
|  |  |           |   | Chief Operating Officer   |  |  |
| (Street)   |  |           | 4. If Amendment, Date Original  | 6. Individual or Joint/Group Filing(Check   |  |  |
|  |  |           | Filed(Month/Day/Year)   | Applicable Line)  |  |  |
| LOUISVILLE, KY 40202                                     |  |           |   | _X_ Form filed by One Reporting Person<br>Form filed by More than One Reporting<br>Person |  |  |

| (City)                               | (State)                              | (Zip) Tal   | ble I - Non                            | -Derivative   | Secur | ities Acquire  | ed, Disposed of,   | or Beneficiall  | y Owned          |
|--------------------------------------|--------------------------------------|---|--|---|-------|--|--|---|------------------|
| 1.Title of<br>Security<br>(Instr. 3) | 2. Transaction Date (Month/Day/Year) | 2A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 3.<br>Transactic<br>Code<br>(Instr. 8) | 4. Securities Acquired (A) or or Disposed of (D) (Instr. 3, 4 and 5)  (A) or Amount (D) Price |       | 5. Amount of<br>Securities<br>Beneficially<br>Owned<br>Following<br>Reported<br>Transaction(s)<br>(Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |                  |
| Humana<br>Common                     |                                      |   |  |   |       |  | 3,983  | I   | See Footnote (1) |
| Humana<br>Common                     |                                      |   |  |   |       |  | 103,185  | D   |                  |
| Humana<br>Common                     | 03/03/2011                           |   | M                                      | 13,686  | A     | \$ 9.26  | 116,871  | D   |                  |
| Humana<br>Common                     | 03/03/2011                           |   | M                                      | 110,000   | A     | \$ 32.7  | 226,871  | D   |                  |
| Humana<br>Common                     | 03/03/2011                           |   | M                                      | 66,652  | A     | \$ 41.83   | 293,523  | D   |                  |

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| Humana<br>Common | 03/03/2011 | M | 19,041  | A | \$ 46.4              | 312,564 | D |                  |
|------------------|------------|---|---------|---|----------------------|---------|---|------------------|
| Humana<br>Common | 03/03/2011 | S | 168,000 | D | \$<br>63.9773<br>(2) | 144,564 | D |                  |
| Humana<br>Common |            |   |         |   |                      | 1,356   | I | See Footnote (3) |
| Humana<br>Common |            |   |         |   |                      | 24,060  | I | See<br>Footnote  |

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<br>Derivative<br>Security<br>(Instr. 3) | 2.<br>Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4.<br>Transactio<br>Code<br>(Instr. 8) | orDeriv<br>Secur<br>Acqu<br>Dispo |         | 6. Date Exercisab<br>Expiration Date<br>(Month/Day/Year | Underlyin          |                  | ecur             |
|---|---|--------------------------------------|---|--|-----------------------------------|---------|---|--------------------|------------------|------------------|
|   |   |                                      |   | Code V                                 | (A)                               | (D)     | Date Exercisable  | Expiration<br>Date | Title            | Am<br>Nur<br>Sha |
| Options (7)   | \$ 32.7   | 03/03/2011                           |   | M                                      |                                   | 110,000 | (8)   | 02/24/2012         | Humana<br>Common | 11               |
| Options (5)   | \$ 9.26   | 03/03/2011                           |   | M                                      |                                   | 13,686  | 03/13/2006(6)   | 03/13/2013         | Humana<br>Common | 13               |
| Options (7)   | \$ 53.96  |                                      |   |  |                                   |         | (9)   | 02/23/2013         | Humana<br>Common | 84               |
| Options (7)   | \$ 62.1   |                                      |   |  |                                   |         | (10)  | 02/22/2014         | Humana<br>Common | 67               |
| Options (7)   | \$ 69.475   |                                      |   |  |                                   |         | (11)  | 02/21/2015         | Humana<br>Common | 70               |
| Options (7)   | \$ 41.83  | 03/03/2011                           |   | M                                      |                                   | 66,652  | (12)  | 02/19/2016         | Humana<br>Common | 66               |
| Options (7)   | \$ 46.4   | 03/03/2011                           |   | M                                      |                                   | 19,041  | (13)  | 02/18/2017         | Humana<br>Common | 19               |
| Options (7)   | \$ 61.18  |                                      |   |  |                                   |         | (14)  | 02/17/2018         |                  | 39               |

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|                                   |      |      |             | Humana<br>Common    |
|-----------------------------------|------|------|-------------|---------------------|
| Restricted<br>Stock<br>Units (15) | (16) | (17) | <u>(17)</u> | Humana<br>Common 8, |
| Phantom<br>Stock<br>Units         | (18) | (18) | (18)        | Humana<br>Common 25 |

# **Reporting Owners**

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

MURRAY JAMES E HUMANA INC. 500 WEST MAIN STREET LOUISVILLE, KY 40202

**Chief Operating Officer** 

## **Signatures**

James E. 03/03/2011 Murray

\*\*Signature of Date
Reporting Person

## **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) Shares held by reporting person's spouse.
- (2) The shares sold in multiple lots ranging from \$63.85 to \$64.16. The weighted average sale price was \$63.2427
- (3) Shares held in The Murray Family trust.
- Stock units held for the benefit of reporting person as of February 28, 2011 under the Humana Retirement & Savings Plan, including a routine disposition of shares to fund an administrative fee assessment under a Tax-Conditioned Plan. All transactions are exempt under Rule 16b-3(c).
- (5) Right to buy pursuant to Company's 1996 Stock Incentive Plan for Employees.
- (6) Incentive and Non-Qualified Stock Options were granted to reporting person on 3/13/03 vesting in three increments each from 3/13/04 to 3/13/06.
- (7) Right to buy pursuant to Company's 2003 Stock Incentive Plan.
- (8) Incentive and Non-Qualified stock options granted to reporting person on 2/24/05, NQ options vesting in three increments from 2/24/06 to 2/24/08, and ISO's vesting on 2/24/08.
- (9) Incentive and Non-Qualified stock options granted to reporting person on 2/23/06, NQ options vesting in three increments from 2/23/07 to 2/23/09, and ISO's vesting on 2/23/09.
- (10) Incentive and Non-Qualified stock options granted to reporting person on 2/22/07, NQ options vesting in three increments from 2/22/08 to 2/22/10, and ISO's vesting on 2/22/10.
- (11) Incentive and Non-Qualified stock options granted to reporting person on 2/21/08, NQ options vesting in three increments from 2/21/09 to 2/21/11, and ISO's vesting on 2/21/11.

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- (12) Reporting person was granted the maximum number of Incentive stock options allowed and remaining options were granted as Non-Qualified stock options. The option grant vests in three increments from 2/19/10 to 2/19/12.
- (13) Reporting person was granted the maximum number of Incentive stock options allowed and remaining options were granted as Non-Qualified stock options. The option grant vests in three increments from 2/18/11 to 2/18/13.
- (14) Reporting person was granted the maximum number of Incentive stock options allowed and remaining options were granted as Non-Qualified stock options. The option grant vests in three increments from 2/17/12 to 2/17/14.
- (15) Right to receive one share per restricted stock unit pursuant to the Company's 2003 Stock Incentive Plan.
- (16) Each restricted stock unit represents a contingent right to receive one share of Humana Inc. common stock, exempt under Rule 16b-3(d)(1) & (3).
- (17) Restricted stock units granted to reporting person on 2/17/11, 100% of the award is vesting on 2/17/14.
- (18) Phantom Stock Units held for the benefit of reporting person as of February 28, 2011 based on the value of Humana common stock on a 1-for-1 basis, under the Humana Excess Plan. All transactions are exempt under Rule 16b-3(c and d).

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.