

MAHMOOD KASSIM ALEC  
Form 4  
May 21, 2012

**FORM 4**

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

OMB APPROVAL

OMB Number: 3235-0287  
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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 \*  
MAHMOOD KASSIM ALEC

2. Issuer Name and Ticker or Trading Symbol  
HealthMarkets, Inc. [N/A]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
9151 BOULEVARD 26

3. Date of Earliest Transaction (Month/Day/Year)  
05/18/2012

\_\_\_\_ Director  
\_\_\_\_ Officer (give title below)  Other (specify below)  
Former SVP/CFO

(Street)  
NORTH RICHLAND HILLS, TX 76180

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

(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				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
Class A-1 Common Stock	05/18/2012		S		14,710	D	\$ 10.33	80,000	D	
Class A-1 Common Stock	05/18/2012		J <sup>(1)</sup>		60,000	D	\$ 0	20,000	D	
Class A-1 Common Stock	05/18/2012		F		5,290	D	\$ 10.33	14,710	D	
Class A-1 Common Stock	05/18/2012		M		60,000	A	\$ 7	74,710	D	

Common  
Stock

Class A-1

Common Stock 05/18/2012 F 45,775 D \$ 10.33 28,935 D

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.**

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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)		
						Date Exercisable	Expiration Date	Title	Amount or Number of Shares
						Code	V	(A)	(D)
Stock Option	\$ 7	05/18/2012		J <sup>(1)</sup>	90,000	06/29/2011	06/29/2020	Class A-1 Common Stock	90,000
Stock Option	\$ 7	05/18/2012		M	60,000	06/29/2011	06/29/2020	Class A-1 Common Stock	60,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MAHMOOD KASSIM ALEC 9151 BOULEVARD 26 NORTH RICHLAND HILLS, TX 76180				Former SVP/CFO

## Signatures

K. Alec Mahmood By: /s/ Peggy G. Simpson,  
POA 05/21/2012

\*\*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) Unvested equity awards forfeited pursuant to termination of employment

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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