HealthMarkets, Inc. Form 4							
September 28, 2006				OMB A	PPROVAL		
		URITIES AND EXCHA Vashington, D.C. 20549	ANGE COMMISSION		3235-0287		
Check this box if no longer subject to Section 16. Form 4 or	AL OWNERSHIP OF	Expires: Estimated a burden hou response	irs per				
abligations	n $17(a)$ of the Public	n 16(a) of the Securities E Utility Holding Compan Investment Company Ac	y Act of 1935 or Section				
(Print or Type Responses)							
1. Name and Address of Rep BOXER MICHAEL	Symb		ing 5. Relationship of Issuer	5. Relationship of Reporting Person(s) to Issuer			
		thMarkets, Inc. [N/A]	(Chec	(Check all applicable)			
(Last) (First)		e of Earliest Transaction h/Day/Year)	Director	Director 10% Owner			
9151 BOULEVARD 26		5/2006	X Officer (give below)				
(Street) NORTH RICHLAND HILLS, TX 76180		Amendment, Date Original Month/Day/Year)	6. Individual or Jo Applicable Line) _X_ Form filed by 0 Form filed by M Person	One Reporting Po	erson		
(City) (State)	(Zip)	able I - Non-Derivative Secu	rities Acquired, Disposed of	, or Beneficia	lly Owned		
	Date 2A. Deemed Vear) Execution Date, any	3. 4. Securities	5. Amount of 6 r Securities F ) Beneficially (1 5) Owned (1 Following (1 Reported Transaction(s) (Instr. 3 and 4)	. Ownership form: Direct D) or Indirect	7. Nature of Indirect		
Reminder: Report on a separa	ate line for each class of	information required to	rectly or indirectly. ho respond to the collec n contained in this form a prespond unless the forr currently valid OMB con	are not n	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	2.	3. Transaction Date	3A. Deemed	4.	5. Number of	6. Date Exercisable and	7. 1	Title and Amount o
Derivative	Conversion	(Month/Day/Year)	Execution Date, if	Transacti	orDerivative	Expiration Date	Une	derlying 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 or (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 Share
Stock Option	\$ 38.37	09/26/2006		А	35,167	09/26/2007 <u>(1)</u>	09/26/2016	Class A-1 Common Stock	35,16
Stock Option	\$ 0 <u>(2)</u>	09/26/2006		А	35,166	09/26/2007 <u>(3)</u>	09/26/2016	Class A-1 Common Stock	35,160

## **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. Simpso POA	on,	09/28/2	006			
<u>**</u> 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.

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

(2) 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.

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

(3) Vest on September 26, 2007. Twenty-five 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. 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.