

MAGELLAN HEALTH INC  
Form 8-K  
April 01, 2015

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

WASHINGTON, D.C. 20549

**FORM 8-K**

**CURRENT REPORT  
PURSUANT TO SECTION 13 OR 15 (D) OF THE  
SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported):

**April 1, 2015**

**MAGELLAN HEALTH, INC.**

(Exact Name of Registrant as Specified in Charter)

**DELAWARE**  
(State or Other Jurisdiction  
of Incorporation)

**1-6639**  
(Commission File  
Number)

**58-1076937**  
(IRS Employer  
Identification No.)

**4800 SCOTTSDALE RD, SUITE 4400**  
**SCOTTSDALE, ARIZONA**  
(Address of Principal Executive Offices)

**85251**  
(Zip Code)

Registrant's telephone number, including area code: **(602) 572-6050**

N/A

(Former Name or Former Address, if Changed Since Last Report)

## Edgar Filing: MAGELLAN HEALTH INC - Form 8-K

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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**Item 8.01 Other Events**

On April 1, 2015, Magellan Health, Inc., a Delaware corporation ( Magellan ), consummated and closed (the Closing ) the previously announced acquisition of 4D Management Systems, Inc., a Michigan corporation ( 4D ), (such acquisition, the Acquisition ) pursuant to the Purchase Agreement (the Agreement ) dated March 17, 2015 by and among Magellan, Magellan Rx Management, Inc., a Delaware corporation and wholly-owned subsidiary of Magellan ( Magellan Rx ), 4D, Denise S. Borsand, Jonathan Borsand, Lisa C. Cohen, Marcy L. Forta, and Remy E. Polter, as holders of the outstanding equity interests in 4D (collectively, the Sellers ) and Gerald C. Borsand in his capacity as the Seller Representative. Based in Troy, Michigan, 4D is a full-service pharmacy benefit manager ( PBM ) serving managed care organizations, employers and government-sponsored benefit programs, such as Medicare Part D plans. As a result of the Acquisition, 4D will operate as a wholly-owned subsidiary of Magellan Rx.

As consideration for the Acquisition, Magellan paid \$55 million in cash (the Base Price ) for all of the outstanding equity interests in 4D, subject to working capital adjustments as provided in the Agreement. In addition to the Base Price, the Agreement provides for potential contingent payments up to a maximum aggregate amount of \$30 million. The contingent payment provisions provide for (i) cash payments of up to \$10 million based on the achievement of certain growth targets in the underlying dual eligible membership served by 4D and (ii) cash payments of up to \$20 million for the retention of certain business through 2018.

Attached and incorporated herein by reference as Exhibit 99.1 is a copy of the press release dated April 1, 2015.

**Item 9.01. Financial Statements, Pro Forma Financial Information and Exhibits**

(a) Financial Statements of business acquired: Not applicable.

(b) Pro forma financial information: Not applicable.

(d) Exhibits:

| Exhibit Number | Description                                     |
|----------------|---|
| 99.1           | Registrant s press release dated April 1, 2015. |

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**MAGELLAN HEALTH, INC.**

Date: April 1, 2015

By:

/s/ Jonathan N. Rubin

Name:

Jonathan N. Rubin

Title:

Executive Vice President and Chief  
Financial Officer