

HUMANA INC  
Form 4  
August 06, 2007

**FORM 4**

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

OMB APPROVAL

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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 \*  
MURRAY JAMES E

(Last) (First) (Middle)

HUMANA INC., 500 WEST MAIN STREET

(Street)

LOUISVILLE, KY 40202

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
HUMANA INC [HUM]

3. Date of Earliest Transaction (Month/Day/Year)  
08/02/2007

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

Chief Operating Officer

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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 Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Humana Common	08/02/2007		M		24,806	A	\$ 19.25
Humana Common	08/02/2007		S		3,700	D	\$ 66.5
Humana Common	08/02/2007		S		1,400	D	\$ 66.51
Humana Common	08/02/2007		S		600	D	\$ 66.52
Humana Common	08/02/2007		S		6,000	D	\$ 66.6

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Humana Common	08/02/2007	S	300	D	\$ 66.62	106,710	D
Humana Common	08/02/2007	S	200	D	\$ 66.63	106,510	D
Humana Common	08/02/2007	S	100	D	\$ 66.66	106,410	D
Humana Common	08/02/2007	S	100	D	\$ 66.61	106,310	D
Humana Common	08/02/2007	S	800	D	\$ 66.65	105,510	D
Humana Common	08/02/2007	S	300	D	\$ 66.67	105,210	D
Humana Common	08/02/2007	S	500	D	\$ 66.68	104,710	D
Humana Common	08/02/2007	S	2,400	D	\$ 66.7	102,310	D
Humana Common	08/02/2007	S	100	D	\$ 66.69	102,210	D
Humana Common	08/02/2007	S	3,900	D	\$ 66.25	98,310	D
Humana Common	08/02/2007	S	1,200	D	\$ 66.26	97,110	D
Humana Common	08/02/2007	S	2,100	D	\$ 66.27	95,010	D
Humana Common	08/02/2007	S	200	D	\$ 66.28	94,810	D
Humana Common	08/02/2007	S	700	D	\$ 66.29	94,110	D
Humana Common	08/02/2007	S	206	D	\$ 66.3	93,904	D
Humana Common	12/31/2005 <sup>(3)</sup>	G	1,173 <sup>(3)</sup>	D	\$ 0	92,731	D
Humana Common	08/03/2007	M	83,008	A	\$ 0 <sup>(7)</sup>	175,739	D
Humana Common	08/03/2007	F	15,144	D	\$ 0 <sup>(8)</sup>	160,595	D
Humana Common	08/03/2007	F	26,645	D	\$ 0 <sup>(9)</sup>	133,980	D
Humana Common	12/31/2005 <sup>(3)</sup>	G	1,173 <sup>(3)</sup>	D	\$ 0	6,188	I

See  
Footnote  
(1)

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Humana Common	12/31/2005 <sup>(3)</sup>	G	782 <sup>(3)</sup>	A	\$ 0	782	I	See Footnotes <u>(2)</u> <u>(3)</u>
Humana Common	08/02/2007	S	88,400	D	\$ 0 <sup>(4)</sup>	0	I	See Footnote <u>(5)</u>
Humana Common						20,811	I	See Footnote <u>(6)</u>

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 Number of Shares
<u>Options</u> <sup>(10)</sup>	\$ 15.5938	08/03/2007		M	22,800	01/15/2001 <sup>(11)</sup>	01/15/2008	Humana Common	22,800
<u>Options</u> <sup>(10)</sup>	\$ 19.25	08/02/2007		M	24,806	01/15/2002 <sup>(12)</sup>	01/15/2009	Humana Common	24,806
<u>Options</u> <sup>(10)</sup>	\$ 19.25	08/03/2007		M	5,194	01/15/2002 <sup>(12)</sup>	01/15/2009	Humana Common	5,194
<u>Options</u> <sup>(10)</sup>	\$ 7.4688	08/03/2007		M	14,000	11/18/2002 <sup>(13)</sup>	11/18/2009	Humana Common	14,000
<u>Options</u> <sup>(16)</sup>	\$ 32.7					<sup>(18)</sup>	02/24/2012	Humana Common	110,000
<u>Options</u> <sup>(10)</sup>	\$ 12.995					03/13/2005 <sup>(14)</sup>	03/13/2012	Humana Common	20,000
<u>Options</u> <sup>(10)</sup>	\$ 9.26	08/03/2007		M	36,314	03/13/2006 <sup>(15)</sup>	03/13/2013	Humana Common	36,314
<u>Options</u> <sup>(16)</sup>	\$ 21.275					<sup>(17)</sup>	02/24/2014	Humana Common	85,000

Options (16)	\$ 21.275	08/03/2007	M	4,700	(17)	02/24/2014	Humana Common	4,700
Options (16)	\$ 53.96				(19)	02/23/2013	Humana Common	84,700
Options (16)	\$ 62.1				(20)	02/22/2014	Humana Common	67,000
Phantom Stock Units	(21)				(21)	(21)	Humana Common	15,600

## 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. Murray  
08/06/2007

\*\*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) Shares held by reporting person's spouse.
- (2) Shares held by reporting person's child. See Footnote 6.
- (3) Reporting person and his spouse gifted shares to each of their 3 children in 2005 and 2006 totalling 782 shares in the aggregate which previously was not reported on a Form 4. Therefore, both the direct and indirect ownership of reporting person and spouse were reduced by 1,173 shares. None of these shares were sold by the children during this time.
- (4) Reporting person sold 88,400 shares as follows: 10,275 @ \$66.25; 9,600 @ \$66.5; 600 @ \$66.52; 2,600 @ \$66.51; 6,300 @ \$66.60; 200 @ \$66.62; 200 @ \$66.63; 800 @ \$66.65; 300 @ \$66.67; 200 @ \$66.68; 2,706 @ \$66.70; 100 @ \$66.69; 2,694 @ \$66.30; 2,500 @ \$66.31; 1,100 @ \$66.32; 100 @ \$66.33; 632 @ \$66.34; 4,000 @ \$66.35; 700 @ \$66.36; 800 @ \$66.37; 300 @ \$66.38; 33,568 @ \$66.40; 1,600 @ \$66.41; 500 @ \$66.43; 1,300 @ \$66.44; 100 @ \$66.42; 400 @ \$66.45; 2,125 @ \$66.27; 700 @ \$66.26; 500 @ \$66.28; and 900 @ \$66.29.
- (5) Shares held by James E. Murray 2006 GRAT of which reporting person is the Grantor and Trustee. Reporting person disclaims beneficial ownership of Company stock held by the GRAT except to the extent of his pecuniary interest.
- (6) Stock units held for the benefit of reporting person as of June 30, 2007 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).
- (7) Stock options exercised on 8/3/07 as follows: 36,314 @ \$9.26 p/share; 22,800 @ \$15.5938; 14,000 @ \$7.4688; 4,700 @ \$21.275 and 5,194 @ \$19.25.
- (8) Shares swapped to pay for purchase of options listed in footnote 7.

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- (9) Shares traded to pay for taxes due on stock option exercise listed in footnote 7.
- (10) Right to buy pursuant to Company's 1996 Stock Incentive Plan for Employees.
- (11) Incentive and Non-Qualified Stock Options were granted to reporting person on 9/17/98 vesting in three increments each from 9/17/99 to 1/15/01.
- (12) Incentive and Non-Qualified Stock Options were granted to reporting person on 1/15/99 vesting in three increments each from 1/15/00 to 1/15/02.
- (13) Non-Qualified Stock Options were granted to reporting person on 11/18/99 vesting in three increments from 11/18/00 to 11/18/02.
- (14) Incentive Stock Options were granted to reporting person on 3/13/02 vesting in thirds from 3/13/03 to 3/13/05.
- (15) 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.
- (16) Right to buy pursuant to Company's 2003 Stock Incentive Plan.
- (17) Incentive and Non-Qualified Stock Options were granted to reporting person on 2/24/04 vesting in three increments from 2/24/05 to 2/24/07, and ISO's vesting on 02/24/07.
- (18) 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.
- (19) 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.
- (20) 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.
- (21) Phantom Stock Units held for the benefit of reporting person as of June 30, 2007, 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.

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