

HealthMarkets, Inc.  
Form 4  
May 10, 2006

**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 \*  
**HAUPTMAN MARK D**

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

**NORTH RICHLAND HILLS, TX 76180**

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)  
**05/08/2006**

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)  
**Vice President and CFO**

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 Ownership (Instr. 4)		
				(A) or (D)	Code	V	Amount	(D)	Price

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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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 Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if	4. Transaction of	5. Number of Derivative	6. Date Exercisable and Expiration Date	7. Title and Amount of Underlying Securities
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prior to May 8, 2010, the exercise price will be \$44.77. If the optionee exercises the option on or after May 8, 2010 but prior to May 8, 2011, the exercise price will be \$49.25. If the optionee exercises the option on or after May 8, 2011, the exercise price will be \$54.17.

The option vests in different increments on each of the first five anniversaries of May 8, 2006. Twenty-five percent of the option vests on

- (3) May 8, 2007. Twenty-five percent of the option vests on May 8, 2008. Seventeen percent of the option vests on May 8, 2009. Seventeen percent of the option vests on May 8, 2010. The remaining 16% of the option vests on May 8, 2011.
- (4) Options vest and become exercisable in 20% annual increments on each of the first, second, third, fourth and fifth anniversaries of the grant date

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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