MASTROVICH LAWRENCE A

Form 4 March 04, 2008

FORM 4

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

OMB 3235-0287 Number:

Expires:

OMB APPROVAL

Check this box if no longer subject to Section 16.

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

January 31, 2005

0.5

Form 4 or Form 5 obligations

may continue.

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

burden hours per response...

Estimated average

See Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

2. Issuer Name and Ticker or Trading

Issuer

below)

MASTROVICH LAWRENCE A

APRIA HEALTHCARE GROUP

(Check all applicable)

5. Relationship of Reporting Person(s) to

INC [AHG]

(Middle)

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

02/29/2008

Symbol

Director 10% Owner X_ Officer (give title Other (specify

President & COO

C/O APRIA HEALTHCARE GROUP INC., 26220 ENTERPRISE

(Street)

(First)

COURT

(Last)

4. If Amendment, Date Original

6. Individual or Joint/Group Filing(Check

Filed(Month/Day/Year)

Applicable Line) _X_ Form filed by One Reporting Person Form filed by More than One Reporting

LAKE FOREST, CA 92630

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 8) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (Instr. 4) (Instr. 4)

(A)

Reported Transaction(s)

Code V Amount (D) Price

(Instr. 3 and 4)

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

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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. 5. Number of TransactionDerivative Code Securities (Instr. 8) Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and An Underlying Sec (Instr. 3 and 4)
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title A
Stock Appreciatioon Rights (1)	\$ 21.71 (2)	02/29/2008		A	71,520	02/28/2009(3)	02/28/2018	Common , Stock
Restricted Stock Units (4)	\$ 0.001	02/29/2008		A	46,960	02/18/2009(5)	12/31/2010	Common Stock

Reporting Owners

Reporting Owner Name / Address

Director 10% Owner Officer Other

MASTROVICH LAWRENCE A
C/O APRIA HEALTHCARE GROUP INC.

26220 ENTERPRISE COURT LAKE FOREST, CA 92630 President & COO

Signatures

/s/ Lawrence A. Mastrovich by Raoul Smyth,
Attorney-In-Fact
03/04/2008

**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).
- Grant of stock appeciation rights ("SARs") under the Issuer's 2003 Performance Incentive Plan. Each SAR, subject to vesting and exercise, represents the right of the reporting person to recieve shares of the Issuer's Common Stock equal in value to the amount determined by subtracting the Base Price of the SAR from the per share value of the Common Stock of the Issuer as of the date of exercise.
- (2) This represents the Base Price of each SAR.
- (3) The SAR vests in four equal 17,880 share increments on February 28, 2009, February 28, 2010, February 28, 2011 and February 29, 2012.
- (4) Restricted stock units granted under the Issuer's 2003 Performance Incentive Plan. Each restricted stock unit represents a contingent right to receive one share of the Issuer's common stock.
 - This grant will vest as to the 15,654 shares and will be paid on December 31, 2010 subject only to the reporting person's continued employment with the Issuer through that date. If certain pre-determined performance measures are achieved for the one-year period
- (5) ending on December 31, 2008, up to an additional 15,653 shares will vest and be issued to the reporting person on February 18, 2009, or as soon thereafter as the achievement can practicably be determined, and up to an additional 15,653 shares will vest and be issued to the reporting person on February 18, 2010.

Reporting Owners 2

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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.