

MATRIA HEALTHCARE INC
Form 4
May 13, 2008

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 *
LEHMAN BROTHERS HOLDINGS INC

2. Issuer Name and Ticker or Trading Symbol
MATRIA HEALTHCARE INC [MATR]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
745 SEVENTH AVENUE

(Street)

3. Date of Earliest Transaction (Month/Day/Year)
05/09/2008

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

NEW YORK, NY 10019

(City) (State) (Zip)

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

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 Ownership (Instr. 4)
				(A) or (D) Code V Amount Price			
Common Stock	05/09/2008		J ⁽¹⁾	2,239,051 D <u>(1)</u> 0		I	See Footnote <u>(2)</u>

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)

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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. 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)	8. Price of Derivative Security (Instr. 5)	9. Number of Derivative Securities Owned Following Reporting Transaction (Instr. 6)
				Code V (A) (D)		Date Exercisable Expiration Date	Title	Amount or Number of Shares	

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

LEHMAN BROTHERS HOLDINGS INC
745 SEVENTH AVENUE
NEW YORK, NY 10019

X

Signatures

By: /s/ Gwen J. Zeisler, Vice President

05/13/2008

__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).

(1) Disposed of pursuant to the merger agreement among Matria Healthcare, Inc., Inverness Medical Innovations, Inc., Milano MH Acquisition Corp. and Milano Acquisition LLC. Each share of Common Stock was converted into the right to receive \$6.50 in cash and a portion of a share of Inverness Medical Innovations, Inc. convertible preferred stock having a stated value of \$32.50 per share on the effective date of the merger.

(2) By direct and indirect subsidiaries of the Reporting Person: Pursuant to the merger, Lehman Brothers Inc. disposed of all of its 2,235,813 shares, Lehman Brothers Special Financing Inc. disposed of all of its 3,158 shares and Lehman Brothers OTC Derivatives Inc. disposed of all of its 80 shares.

Remarks:

See Exhibit 99.1 for Joint Filer Information.

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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