

Terry David L Jr
 Form 4
 February 01, 2012

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 *
 Terry David L Jr

2. Issuer Name and Ticker or Trading Symbol
 HealthSpring, Inc. [HS]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 9009 CAROTHERS
 PARKWAY, SUITE 501
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 01/31/2012

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Senior VP & Chief Actuary

FRANKLIN, TN 37067

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

(City) (State) (Zip)

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)	Price		
				Code	V	Amount	
Common Stock	01/31/2012		D		79,802	D	(1) 19,364 D
Common Stock	01/31/2012		D		485	D	(2) 0 D
Common Stock	01/31/2012		D		1,592	D	(3) 0 D
Common Stock	01/31/2012		D		13,681	D	(4) 0 D
Common Stock	01/31/2012		D		3,606	D	(5) 0 D

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Common Stock	01/31/2012	A	1,739 (6)	A	\$ 0	1,739	D
Common Stock	01/31/2012	D	1,739	D	(7)	0	D

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)	8. Amount or Number of Shares
Employee Stock Option (right to buy)	\$ 19.5	01/31/2012		D	4,313	(8) 02/19/2018	Common Stock	4,313
Employee Stock Option (right to buy)	\$ 15.16	01/31/2012		D	7,162	(9) 02/13/2019	Common Stock	7,162
Employee Stock Option (right to buy)	\$ 17.82	01/31/2012		D	6,181	(10) 02/11/2020	Common Stock	6,181

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

Terry David L Jr
 9009 CAROTHERS PARKWAY
 SUITE 501
 FRANKLIN, TN 37067

Senior VP & Chief Actuary

Signatures

/s/ J. Gentry Barden,
 Attorney-in-Fact

02/01/2012

__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) Pursuant to the terms of the Agreement and Plan of Merger, dated as of October 24, 2011, by and among HealthSpring, Inc. (the "Company"), Cigna Corporation ("Cigna") and Cigna Magnolia Corp., an indirect wholly-owned subsidiary of Cigna, and the documents entered into in connection therewith (collectively, the "Merger Documents"), each share of the Company's common stock owned by the reporting person immediately prior to the effective time of the merger was, upon the effective time of the merger, converted into the right to receive \$55.00 per share in cash, without interest and less any applicable withholding taxes.
 - (2) Pursuant to the terms of the Merger Documents, at the effective time of the merger, this award of restricted shares of Company common stock granted under the HealthSpring, Inc. 2006 Amended and Restated Equity Incentive Plan (the "2006 Plan") was cancelled in exchange for a cash cancellation payment equal to the product of (a) the merger consideration of \$55.00 per share, and (b) 485.
 - (3) Pursuant to the terms of the Merger Documents, at the effective time of the merger, (i) 796 restricted shares subject to this award granted under the 2006 Plan were cancelled in exchange for a cash cancellation payment equal to the product of (a) the merger consideration of \$55.00 per share, and (b) 796 and (ii) 796 restricted shares subject to this award granted under the 2006 Plan were assumed by Cigna and replaced with an award of 985 restricted shares of Cigna common stock. This award provided for restrictions with respect to these shares to lapse as follows: 50% on February 13, 2011; 25% on February 13, 2012; and 25% on February 13, 2013.
 - (4) Pursuant to the terms of the Merger Documents, at the effective time of the merger, (i) 6,841 restricted shares subject to this award granted under the 2006 Plan were cancelled in exchange for a cash cancellation payment equal to the product of (a) the merger consideration of \$55.00 per share, and (b) 6,841 and (ii) 6,840 restricted shares subject to this award granted under the 2006 Plan were assumed by Cigna and replaced with an award of 8,467 restricted shares of Cigna common stock. This award provided for restrictions with respect to these shares to lapse as follows: 50% on February 11, 2012; 25% on February 11, 2013; and 25% on February 11, 2014.
 - (5) Pursuant to the terms of the Merger Documents, at the effective time of the merger, this award of restricted shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an award of 4,463 restricted shares of Cigna common stock. This award provided for restrictions with respect to these shares to lapse as follows: 50% on March 7, 2013; 25% on March 7, 2014; and 25% on March 7, 2015.
 - (6) The reporting person was previously awarded 1,739 restricted shares of Company common stock under the 2006 Plan that vested over time based on future Company performance. Pursuant to the terms of the award, upon the effective time of the merger, the performance goals were deemed to have been met. The award provided for restrictions with respect to these shares to then lapse as follows: 50% on March 7, 2013; 25% on March 7, 2014; and 25% on March 7, 2015.
 - (7) Pursuant to the terms of the Merger Documents, at the effective time of the merger, this award of restricted shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an award of 2,152 restricted shares of Cigna common stock.
 - (8) Pursuant to the terms of the Merger Documents, at the effective time of the merger, this option to purchase shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an option to purchase 5,339 shares of Cigna common stock for \$15.76 per share. This option, which initially represented a right to purchase a total of 17,252 shares of Company common stock (previously exercised with respect to 12,939 shares), provided for vesting as follows: 50% on February 19, 2010; 25% on February 19, 2011; and 25% on February 19, 2012.
 - (9) Pursuant to the terms of the Merger Documents, at the effective time of the merger, this option to purchase shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an option to purchase 8,865 shares of Cigna common stock for \$12.25 per share. This option, which initially represented a right to purchase a total of 14,324 shares of Company common stock (previously exercised with respect to 7,162 shares), provided for vesting as follows: 50% on February 13, 2011; 25% on February 13, 2012; and 25% on February 13, 2013.
 - (10)

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Pursuant to the terms of the Merger Documents, at the effective time of the merger, this option to purchase shares of Company common stock granted under the 2006 Plan was assumed by Cigna and replaced with an option to purchase 7,651 shares of Cigna common stock for \$14.40 per share. This option provided for vesting as follows: 50% on February 11, 2012; 25% on February 11, 2013; and 25% on February 11, 2014.

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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