

HealthMarkets, Inc.
Form 4
December 20, 2007

FORM 4 UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

OMB APPROVAL

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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

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
7651 ESTERS BLVD, SUITE 150

3. Date of Earliest Transaction (Month/Day/Year)
12/20/2007

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

(Street)
IRVING, TX 75063

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 Indirect Ownership (Instr. 4)
				(A) or (D)	Price		
Class A-1 Common Stock	12/20/2007		M	V	11,590	A	\$ 42.03 16,203 D
Class A-1 Common Stock	12/20/2007		F	V	2,531	D	\$ 42.03 13,672 D

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

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SEC 1474 (9-02)

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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)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	
Stock Option	\$ 7.34 ⁽¹⁾	12/20/2007		M	11,590 ⁽¹⁾	02/12/2004	03/13/2008	Class A-1 Common Stock	11,590 ⁽¹⁾

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
HAUPTMAN MARK D 7651 ESTERS BLVD SUITE 150 IRVING, TX 75063				Division EVP

Signatures

Mark D. Hauptman by /s/ Peggy G. Simpson, 12/20/2007
 POA

**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) As previously reported, in connection with the merger consummated on April 5, 2006, 10,000 options were rolled over and modified into 9,189 options to acquire shares of the Company's Class A-1 Common Stock at an exercise price of \$9.25. In connection with the extraordinary dividend payable and paid May 14, 2007, these options were further modified into 11,590 options to acquire shares of the Company's Class A-1 Common Stock at an exercise price of \$7.34.

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.