HUMANA INC Form 4 December 21, 2004

FORM 4

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

OMB APPROVAL OMB 3235-0287

Check this box if no longer subject to Section 16.

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

Number: January 31, Expires:

2005

Form 4 or Form 5 obligations

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

Estimated average burden hours per 0.5 response...

may continue. See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * SHIELDS R EUGENE			2. Issuer Name and Ticker or Trading Symbol HUMANA INC [HUM]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)		
(Last) (First) (M		(Middle)	3. Date of Earliest Transaction	(Siech all applicable)		
			(Month/Day/Year)	Director 10% Owner		
HUMANA INC., 500 WEST MAIN STREET (Street)			12/21/2004	X Officer (give title Other (specify below) Senior Vice President-Gov Prgm		
			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		
LOUISVILLE, KY 40202				Form filed by More than One Reporting Person		

(City)	(State)	Zip) Table	I - Non-D	erivative S	ecurit	ies Acq	uired, Disposed of	f, or Beneficial	ly Owned
1.Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transactio Code (Instr. 8)	4. Securities Acquired on(A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code V	Amount	(A) or (D)	Price	Reported Transaction(s) (Instr. 3 and 4)		
Humana Common	12/21/2004		M	36,774	A	\$ 0 (17)	105,989	D	
Humana Common	12/21/2004		S	36,774	D	\$ 29.5	69,215	D	
Humana Common							1,277	I	See Footnote (2)
Humana Common							8,933	I	See Footnote

<u>(1)</u> <u>(3)</u>

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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 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)	Code	5. Number of orDerivative Securities Acquired (A) or Disposed o (D) (Instr. 3, 4, and 5)	6. Date Exer Expiration D (Month/Day	ate	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Options (4)	\$ 15.5938					(5)	01/15/2008	Humana Common	17,400
Options (4)	\$ 15.5938					(6)	09/17/2008	Humana Common	30,450
Options (4)	\$ 15.5938					<u>(7)</u>	01/09/2007	Humana Common	22,925
Options (4)	\$ 15.5938	12/21/2004		M	3,440	(8)	01/12/2005	Humana Common	3,440
Options (4)	\$ 19.25					<u>(9)</u>	01/15/2009	Humana Common	20,000
Options (4)	\$ 9.5938	12/21/2004		M	20,000	(10)	09/09/2009	Humana Common	20,000
Options (4)	\$ 12.995	12/21/2004		M	13,334	(11)	03/13/2012	Humana Common	13,334
Options (4)	\$ 9.26					(12)	03/13/2013	Humana Common	15,000

Edgar Filing: HUMANA INC - Form 4

Options (13)	\$ 21.275	(14)	02/24/2014	Humana Common	15,000
Options (4)	\$ 16.2	(15)	02/24/2014	Humana Common	25,000
Phantom Stock Units	<u>(16)</u>	(16)	(16)	Humana Common	3,654

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

SHIELDS R EUGENE HUMANA INC. 500 WEST MAIN STREET LOUISVILLE, KY 40202

Senior Vice President-Gov Prgm

Signatures

R. Eugene 12/21/2004 Shields

**Signature of Date
Reporting Person

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).
- Each share of Common Stock contains a Right adopted on March 5, 1987, pursuant to the Company Rights Agreement, as amended and restated on February 14, 1996, and amended as of May 27, 1998 and March 1, 1999, which entitles holders of the Company's Common Stock, in the event certain specified events occur, to acquire 1/100 of a share of Series A Participating Preferred Stock at a price of \$145 per fractional share.
- (2) Reporting person has a child over the age of majority living in his household who holds 1,277 shares.
- (3) Shares held for the benefit of reporting person as of November 30, 2004 under the Humana Retirement & Savings Plan, including a routine disposition of shares to fund an administrative fee assessment under a Tax-Conditioned Plan, both exempt under Rule 16b-3(c).
- (4) Right to buy pursuant to the Company's 1996 Stock Incentive Plan for Employees.
- (5) Non-Qualified stock options were granted to reporting person on 9/17/98 vesting in three increments from 9/17/99 to 1/15/01.
- (6) Non-Qualified stock options were granted to reporting person on 9/17/98, all of which vest on 9/17/99.
- (7) Non-Qualified stock options were granted to reporting person on 9/17/98 vesting in two increments from 9/17/99 to 1/9/00.
- (8) Non-Qualified stock options were granted to reporting person on 9/17/98, all of which vest on 1/12/05.
- (9) Non-Qualified stock options were granted to reporting person on 1/15/99 vesting in three increments from 1/15/00 to 1/15/02.
- (10) Non-Qualified stock options were granted to reporting person on 9/9/99 vesting in three increments from 9/9/00 to 9/9/02.
- (11) Incentive stock options were granted to reporting person on 3/13/02 vesting in thirds from 3/13/03 to 3/13/05.
- (12) Incentive and Non-Qualified stock options were granted to reporting person on 3/13/03, NQ options to vest in two increments on 3/13/04 & 3/13/05, and ISO's to vest in three increments from 3/13/04 to 3/13/06.

Reporting Owners 3

Edgar Filing: HUMANA INC - Form 4

- (13) Right to buy pursuant to the Company's 2003 Stock Incentive Plan.
- Incentive and Non-Qualified stock options were granted to reporting person on 2/24/04, NQ options vesting in three increments from 2/24/05 to 2/24/07, and ISO's vesting in two increments on 2/24/06 and 2/24/07.
- (15) Non-Qualified stock options were granted to reporting person on 6/24/04 vesting in three increments from 6/24/05 to 6/24/07.
- (16) Phantom Stock Units held for the benefit of reporting person as of November 30, 2004, based on the value of Humana common stock on a 1-for1 basis, under the Humana Excess Plan and exempt under Rule 16b-3(c and d).
- (17) Stock options are being exercised at different option prices as follows: 13,334 options at \$12.995; 3,440 options at \$15.5938; and 20,000 at \$9.5938.

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.