

HERR HENRY D  
Form 5  
October 31, 2007

**FORM 5**

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

OMB APPROVAL

OMB Number: 3235-0362  
Expires: January 31, 2005  
Estimated average burden hours per response... 1.0

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).  
Form 3 Holdings Reported Form 4 Transactions Reported

**ANNUAL 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

1. Name and Address of Reporting Person \*  
HERR HENRY D

(Last) (First) (Middle)

3841 GREEN HILLS VILLAGE DRIVE

(Street)

NASHVILLE, TN 37215

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
HEALTHWAYS, INC [HWAY]

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)  
08/31/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Reporting

(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) | (A) or (D) | Price | 5. Amount of Securities Beneficially Owned at end of Issuer's Fiscal Year (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|------------|-------|--|--|---|
| Common Stock                    | 12/05/2006                           | ^  | G                              | 2,500   | D          | \$ 0  | 356,934 <sup>(1)</sup><br><u>(2) (3)</u>   | D  | ^   |
| Common Stock                    | ^                                    | ^  | ^                              | ^   | ^          | ^     | 7,752 <sup>(3)</sup>   | I  | Held by Henry D. Herr 2005 American Healthways GRAT   |
|                                 | ^                                    | ^  | ^                              | ^   | ^          | ^     | 30,000 <sup>(1)</sup>  | I  |   |

|              |   |   |   |   |   |   |           |   |  |  |
|--------------|---|---|---|---|---|---|-----------|---|--|--|
| Common Stock |   |   |   |   |   |   |           |   |  | Held by Henry D. Herr 2006 Healthways GRAT |
| Common Stock | Â | Â | Â | Â | Â | Â | 4,070 (2) | I |  | Held in trust controlled by spouse         |
| Common Stock | Â | Â | Â | Â | Â | Â | 28,464    | I |  | Held by spouse                             |
| Common Stock | Â | Â | Â | Â | Â | Â | 3,462     | I |  | Held in 401(k) Plan                        |

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

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SEC 2270 (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. Price of Derivative Security (Instr. 5) | 9. of D Se B O E Is Fi (I  |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--|----------------------------|
|  |  |                                      |  |                                |   | Date Exercisable   | Expiration Date   | Title                                      | Amount or Number of Shares |
|  |  |                                      |  |                                |   | (A)  | (D)   |  |                            |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |         |       |
|---|---------------|-----------|---------|-------|
|   | Director      | 10% Owner | Officer | Other |
| HERR HENRY D<br>3841 GREEN HILLS VILLAGE DRIVE<br>NASHVILLE, TN 37215 | Â X           | Â         | Â       | Â     |

## Signatures

/s/ Mary A. Chaput, by power of attorney for Henry D. Herr 10/31/2007

\*\*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) On October 17, 2006, the reporting owner established the Henry D. Herr 2006 Healthways GRAT by transferring 30,000 shares from the reporting owner to the GRAT.
- (2) On December 5, 2006, the reporting owner transferred 400 shares to a trust controlled by his spouse.
- (3) Of the 15,972 shares held by the 2005 GRAT, 8,220 were transferred from the GRAT to the reporting owner as grantor on January 25, 2007. These shares were transferred pursuant to the terms of the GRAT and were not reportable transactions under Rule 16a-13.

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