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

FORM 8-K
CURRENT REPORT
PURSUANT TO SECTION 13 OR 15 (D) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported):
March 4, 2020

MAGELLAN HEALTH, INC.
(Exact Name of Registrant as Specified in Charter)

4801 E. Washington Street
Phoenix, Arizona
85034
(Address of Principal Executive Offices)

Registrant’s telephone number, including area code: (800) 642-1716

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):
☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

<table>
<thead>
<tr>
<th>Title of each class</th>
<th>Trading Symbol(s)</th>
<th>Name of each exchange on which registered</th>
</tr>
</thead>
<tbody>
<tr>
<td>Common Stock, par value $0.01 per share</td>
<td>MGLN</td>
<td>The NASDAQ Global Market</td>
</tr>
</tbody>
</table>

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 ($230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 ($240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Item 5.02. DEPARTURE OF DIRECTORS OR CERTAIN OFFICERS; ELECTION OF DIRECTORS; APPOINTMENT OF CERTAIN OFFICERS; COMPENSATORY ARRANGEMENT OF CERTAIN OFFICERS.

(e)

The Compensation Committee of the Board of Directors of Magellan Health, Inc. (the “Company”) authorized the grant of restricted stock units (“RSUs”) and performance-based restricted stock units (“PSUs”) to members of management pursuant to the Company’s 2016 Management Incentive Plan (the “2016 MIP”) on February 24, 2020, with such RSUs and PSUs valued and granted at the close of business on March 4, 2020, in accordance with the Company’s equity award policy. On March 4, 2020, the Company issued RSUs to Kenneth J. Fasola, Chief Executive Officer; James E. Murray, President and Chief Operating Officer; Jonathan N. Rubin, Chief Financial Officer; Mostafa M. Kamal, Chief Executive Officer, Magellan Rx Management; and Caskie Lewis-Clapper, Chief Human Resources Officer, for 33,295, 21,850, 15,763, 18,724 and 7,303 shares of the Company’s common stock, par value $0.01 (the “Common Stock”), respectively, vesting in three equal annual installments on March 4, 2021, March 4, 2022 and March 4, 2023. Vesting is conditional on the grantee’s continued service with the Company on those vesting dates. The vesting of the RSUs may accelerate upon a termination by reason of retirement as determined pursuant to the Company’s Retirement Policy Applicable to Employee Long-Term Incentive Awards or a termination of employment following a change in control of the Company, as provided in the pertinent award notice. Such RSU awards are otherwise on terms and conditions included in the form of Restricted Stock Unit Agreement and Notice of Restricted Stock Unit Award filed as Exhibits 10.1 and 10.2, respectively, to this Form 8-K.

Messrs. Fasola, Murray, Rubin and Kamal and Ms. Lewis-Clapper also received grants of PSUs for 27,743, 18,206, 13,134, 15,602 and 6,085 shares of Common Stock on March 4, 2020. The PSUs will entitle the grantee to receive a number of shares of the Company’s Common Stock determined over a three-year performance period ending on December 31, 2022 and vesting on March 4, 2023, the settlement date, provided that the grantee remains in the service of the Company on that settlement date. The number of shares for which the PSUs will be settled will be a percentage of the shares for which the award is targeted and will depend on the Company’s “Relative Total Shareholder Return,” expressed as a percentile ranking of the Company’s “Total Shareholder Return” as compared to the Company’s “Peer Group” set forth in the grant notice. The number of shares for which the PSUs will be settled will vary from 0% to 200% of the shares specified in the grant, as follows:

<table>
<thead>
<tr>
<th>Relative Total Shareholder Return Ranking over Measurement Period</th>
<th>Payout Percentage Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>75th Percentile or Higher</td>
<td>200%</td>
</tr>
<tr>
<td>50th Percentile</td>
<td>100%</td>
</tr>
<tr>
<td>25th Percentile</td>
<td>50%</td>
</tr>
<tr>
<td>&lt;25th Percentile</td>
<td>0%</td>
</tr>
</tbody>
</table>

Under this formula, for every 1% of percentile ranking of Total Shareholder Return that the Company achieves above the median of the Peer Group, the grant recipient will receive an additional 4% of target payout, and for every 1% of percentile ranking of Total Shareholder Return by which the Company is below the median of the Peer Group, the grant recipient will receive a reduced 2% of target payout. For example, if the Company achieves a Total Shareholder Return for the measuring period which ranks 21st among 48 Peer Group companies (and thus is at the 57th percentile), the grant recipient will receive 128% of the shares for which the grant is targeted on the settlement date.

For purposes of the awards, “Total Shareholder Return” is determined by dividing the average share value of the Company’s Common Stock over the 30 trading days preceding January 1, 2023 by the average share value of the Company’s Common Stock over the 30 trading days beginning on January 1, 2020, with a deemed reinvestment of any dividends declared during the performance period. The Company’s “Peer Group” includes 48 companies which comprise the S&P Health Care Services Industry Index as of March 1, 2020, which was selected by the Compensation Committee of the Company’s Board of Directors and includes a range of healthcare companies operating in several business segments. Such PSU awards are otherwise on the terms and conditions included in the form of Performance-Based Restricted Stock Unit Agreement and Notice of Terms of Performance-Based Restricted Stock Units filed as...
Exhibits 10.3 and 10.4, respectively, to this Form 8-K. The vesting of the PSUs may: (i) continue following retirement pursuant to the Company’s Retirement Policy Applicable to Employee Long-Term Incentive Awards or (ii) accelerate upon a termination of employment following a change in control of the Company as provided in the pertinent award notice.

Item 9.01. Financial Statements, Pro Forma Financial Information and Exhibits

(a) Financial Statements of business acquired: Not applicable.
(b) Pro forma financial information: Not applicable.
(d) Exhibits: See Exhibit Index.
<table>
<thead>
<tr>
<th>Exhibit Number</th>
<th>Description of Exhibit</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.1</td>
<td>Form of Restricted Stock Unit Agreement pursuant to the 2016 MIP.</td>
</tr>
<tr>
<td>10.2</td>
<td>Form of Notice of Restricted Stock Unit Award pursuant to the 2016 MIP.</td>
</tr>
<tr>
<td>10.3</td>
<td>Form of Performance-Based Restricted Stock Unit Agreement pursuant to the 2016 MIP.</td>
</tr>
<tr>
<td>10.4</td>
<td>Form of Notice of Terms of Performance-Based Restricted Stock Units pursuant to the 2016 MIP</td>
</tr>
<tr>
<td>104</td>
<td>Cover Page Interactive Data File – The cover page interactive data file does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.</td>
</tr>
</tbody>
</table>
SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MAGELLAN HEALTH, INC.

Date: March 10, 2020

By: /s/ Jonathan N. Rubin

Name: Jonathan N. Rubin
Title: Chief Financial Officer
SECTION 1.  GRANT OF RESTRICTED STOCK UNITS.

(a) **Restricted Stock Units.** On the terms and conditions set forth in this Restricted Stock Unit Agreement (the “Agreement”) and each Notice of Restricted Stock Unit Award referencing this Agreement, Magellan Health, Inc. (the “Company,” as further defined below) grants to the Grantee referred to on the signature page hereof the right to receive on the Settlement Date (as hereinafter defined) the number of shares of Ordinary Common Stock, $0.01 par value per share, of the Company (“Shares,” as further defined below) equal to the number of “Stock Units” awarded to the Grantee as set forth in the Notice of Restricted Stock Unit Award, subject to adjustment thereto on account of any change that may be made in the Shares as provided by Section 4 below (the “Unit Shares”). Each such Notice of Restricted Stock Unit Award, together with this referenced Agreement, shall be a separate “Restricted Stock Unit” governed by the terms of this Agreement and any such separate Restricted Stock Unit may be referred to herein as the “Restricted Stock Unit,” and, as pertinent, any of multiple Notices of Restricted Stock Unit Award referencing this Agreement may be referred to herein as the “Restricted Stock Unit Award Notice.”

(b) **2016 Management Incentive Plan and Defined Terms.** The Restricted Stock Unit Award is granted under and subject to the terms of the 2016 Management Incentive Plan, or a predecessor plan, as amended and supplemented from time to time (the “Plan”), which is incorporated herein by this reference. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Plan.

(c) **Scope of this Agreement.** This Agreement shall apply both to the Restricted Stock Unit and to any Unit Shares acquired upon the settlement of the Restricted Stock Units. This Agreement references the terms of the Non-Competition, Non-Solicitation, and Confidentiality Agreement previously executed by Grantee and the Company or a Related Employer (as defined in Plan Section 12(a)(i)) and/or any similar agreement that legally binds Grantee not to compete with or not to solicit employees or customers of the Company or any Related Employer and related covenants (any or all of the foregoing being the “Non-Compete Agreement”).
SECTION 2. VESTING AND SETTLEMENT OF RESTRICTED STOCK UNITS.

(a) **Vesting.** The Restricted Stock Unit shall vest in whole or in part on the date or dates provided by the Notice of Restricted Stock Unit Award, provided that Grantee remains in the Service of the Company or a Related Employer company at such date; it being understood that the Notice of Restricted Stock Unit Award may provide that the Restricted Stock Unit shall vest upon termination of Grantee’s Service in such circumstances as are provided in the Notice of Restricted Stock Unit Award (subject to Section 2(d) below).

(b) **Settlement in Shares.** Subject to following provisions of this Section 2, the Company shall settle the Restricted Stock Unit, to the extent it has vested, on the date on which the Restricted Stock Unit has vested (or, if such date is not a Business Day, the preceding Business Day) by the delivery to Grantee of the number of Unit Shares equal to the number of Restricted Stock Units so vested. The date on which a Restricted Stock Unit is to be settled is herein referred to as the “Settlement Date.” Subject to Section 2(b) below, in settlement of the Restricted Stock Unit, the Company shall cause to be issued on the Settlement Date or as soon as practicable thereafter (but not more than five business days) an appropriate certificate or certificates for the Unit Shares, registered in the name of the Grantee (or, at the direction of the Grantee, in the names of such person and his or her spouse as community property or as joint tenants with right of survivorship or as tenants in the entirety); provided, however, that such Unit Shares shall be subject to such restrictions on transfer or other restrictions as are provided by the Restricted Stock Unit Award Notice and the certificates so issued may bear a legend reflecting such restrictions and any restrictions applicable in accordance with Sections 2(g) and 3(c) below.

(c) **Alternative Settlement in Cash.** In lieu of settlement of the Restricted Stock Unit in Unit Shares, the Committee may in its sole discretion elect to settle all or a portion of the Restricted Stock Unit by a cash payment equal to the Fair Market Value as of the Settlement Date of the Unit Shares that would otherwise have been issued under this Agreement. Such payment may be made by good check of the Company issued in accordance with its normal payroll practices or such other means as are acceptable to the Company.

(d) **Withholding Requirements.** The Company may withhold any tax (or other governmental obligation) the Company is required to withhold as a result of the grant of the Restricted Stock Unit and/or the issuance of Unit Shares (or cash in lieu of Unit Shares) in settlement of a Restricted Stock Unit and, as a condition to the grant of the Restricted Stock Unit or issuance of the Unit Shares in settlement thereof, the Grantee shall make arrangements satisfactory to the Company to enable it to satisfy all such withholding requirements.

(e) **Injurious Conduct.**

   (i) In the event that the Grantee has engaged in Injurious Conduct (as defined in Section 2(e)(ii)(A) below) during Grantee’s Service or during the Restricted Period (as defined in Section 2(e)(ii)(B) below) following termination of Grantee’s Service, then the following forfeitures and related terms will apply to the Award and the Unit Shares and related benefits (including Dividend Equivalents and/or **
(A) No Unit Shares shall be issued to Grantee in connection with the settlement of the Award after such determination (even if the Award is fully vested) nor shall any other benefit thereafter accrue to the Grantee under this Agreement (including by reason of the lapse of any restriction on transfer or other restriction then applicable to Unit Shares that have been issued).

(B) The unsettled Award shall be forfeited and shall terminate and any Unit Shares subject to any such restrictions shall be forfeited.

(C) As authorized by the Plan (including Sections 12(a) and (b)), any benefits realized by Grantee as a result of the Award, if the Award vested during the three-year period prior to the time such Injurious Conduct occurred (or, if longer than three years, the period equal to the Restricted Period), including benefits resulting from the lapse of any restrictions on Shares issued as a result thereof and Dividend Equivalents relating to the Award and dividends relating to the such Shares, shall be forfeited by Grantee and Grantee shall pay over to the Company any Shares received by Grantee in connection with the Award, if still owned by Grantee, or the cash value of such Shares (such value to be measured as of the date of the cash payment by Grantee hereunder), together with any cash amount received by Grantee as related Award benefits (without discount or interest; for clarity, taxes previously withheld will be deemed to have been received by Grantee).

(ii) The forfeitures and related terms of Section 2(e)(i) are subject to the following:

(A) For purposes of this Agreement, “Injurious Conduct” means an event as specified in Plan Section 12(a)(i) or a violation by Grantee of any material provision of Grantee’s Non-Compete Agreement with the Company or any Related Company or, if Grantee has no Non-Compete Agreement, an event as specified in Plan Section 12(a)(ii).

(B) For purposes of this Agreement, the “Restricted Period” means the length of the period during which Grantee remains bound by non-competition and/or non-solicitation covenants following termination of Grantee’s Service under Grantee’s Non-Compete Agreement, except that, if Grantee is not bound by a Non-Compete Agreement, the Restricted Period will be one year.

(C) The terms of this Section 2 are intended to modify and supersede certain terms of Plan Section 12, including modifying the definition of “Injurious Conduct” and modifying the post-termination periods in which forfeitures may occur and during which (under Plan Section 12(c)) the Committee shall determine whether Injurious Conduct has occurred and any resulting
forfeitures, and therefore the terms of this Section 2 control to the extent the terms differ from Plan Section 12. The forfeitures or related terms of this Section 2 may be waived or limited by the terms of any agreement executed by the Company with the approval of the Committee.

(D) In the case of Section 2(e)(i)(A) and (B), such forfeitures and related terms will not apply to the Award if the settlement of the Award has been deferred at the election of the Grantee and if the Award was fully vested for a period of at least three years or, if longer, a period at least equal to the Restricted Period before the date such Injurious Conduct occurred; in such case, the Company is not excused from settling, completing delivery of or removing any legend restricting the transfer of the Award or Shares and any related Dividend Equivalent Rights or dividends.

(E) Any forfeitures hereunder, based on the Committee’s determination that Grantee has engaged in Injurious Conduct during Grantee’s Service or during the Restricted Period, and the terms of this Section 2 shall not relieve Grantee of any other liability he or she may have to the Company or a Related Employer as a result of engaging in the Injurious Conduct, including any right of the Company or any Related Employer to injunctive or other equitable relief.

(f) **Transfer Restrictions On Unit Shares.** Subject to Section 2(d) above and Sections 2(g) and 3(c) below, unless otherwise provided by the Restricted Stock Unit Award Notice or another agreement between Grantee and the Company, upon the acquisition of Unit Shares pursuant to the settlement of a Restricted Stock Unit Award, Grantee shall be free to dispose of the Unit Shares so acquired in any manner and at any time.

(g) **Securities Law Restrictions On Issuance of Unit Shares.** Unless a registration statement under the Securities Act permitting the sale and delivery of Unit Shares upon settlement of the Restricted Stock Unit Award is in effect on the Settlement Date, the Company shall not be required to issue Unit Shares upon such settlement, except as otherwise provided in this subsection. The Company shall use its commercially reasonable efforts to register under the Securities Act sufficient Unit Shares to permit delivery to Grantee of all Unit Shares that may be acquired by Grantee upon the settlement of the Restricted Stock Unit Award; provided, however, that the Company shall only be so required to register the Unit Shares on Form S-8 under the Securities Act (or any successor form). Notwithstanding the foregoing, the Company shall, if Grantee has given the Company at least 90 days’ notice requesting the Company to register in accordance with the foregoing provisions of this subsection the Unit Shares that may then be acquired by Grantee upon settlement of the Restricted Stock Unit Award and the Company has failed to do so, issue Unit Shares to Grantee upon settlement of the Restricted Stock Unit Award without registration thereof under the Securities Act if (i) Grantee represents, effective on the date of such issuance, in writing in a form acceptable to the Company (A) that such Unit Shares are being acquired for investment and not with a present view to distribution, (B) Grantee understands that the Unit Shares have not been registered under the Securities Act and cannot be sold or otherwise Transferred unless a registration statement under the Securities Act is in effect with respect
thereto or the Company has received an opinion of counsel, satisfactory to it, to the effect that such registration is not required, (C) that Grantee has, alone or together with any qualified advisor, such knowledge and experience in financial and business matters as is necessary to evaluate the risks of an investment in the Unit Shares, is acquiring the Unit Shares based on an independent evaluation of the long-term prospects of an investment in the Unit Shares and has been furnished with such financial and other information regarding the Company as the Grantee has requested for purposes of making such evaluation, and (D) Grantee is able to bear the economic risk of an investment in the Unit Shares subject to such restrictions on Transfer and (ii) if the Company determines that under the circumstances issuing the Unit Shares pursuant to such settlement of the Restricted Stock Unit Award is lawful; provided, however, that the Company may require, as a condition of such issuance of Unit Shares, that Grantee execute and deliver to it such other certificates, agreements and other instruments as in the judgment of the Company, upon advice of counsel, are necessary or appropriate to assure that the Unit Shares are issued to Grantee in accordance with the Securities Act and any other applicable securities law and may require that any certificates representing Unit Shares so issued bear any restrictive legend appropriate for such purpose. In addition, even if a registration statement under the Securities Act permitting the delivery of Unit Shares upon settlement of the Restricted Stock Unit Award is in effect at the Settlement Date, the Company may suspend the issuance of Unit Shares pursuant to the settlement of all Restricted Stock Unit Awards issued under the Plan for such period of time as in the judgment of the Company, upon advice of counsel, is necessary in order for the Company to come into compliance with all the reporting requirements applicable to the Company pursuant to Section 13(a) of the Exchange Act or to otherwise avoid in connection with the issuance of the Unit Shares under such registration statement a violation of Sections 10, 11 or 12 of the Securities Act. If the Company suspends the issuance of Unit Shares pursuant to the settlement of Restricted Stock Unit Awards issued under the Plan, the Company shall give prompt written notice thereof to the Grantee (but the failure of the Company to give such notice shall not prevent the Company from suspending the issuance of Unit Shares as permitted hereby) and, at such time as such period of suspension ends, shall give prompt written notice thereof to Grantee. Notwithstanding that the Company in accordance with this subsection may not be able to issue Unit Shares in settlement of a Restricted Stock Unit, the Company shall not be required to settle a Restricted Stock Unit in cash, but may do so if it elects in its discretion to do so, as provided by Section 2(c) above.

(h) **Special Distribution Rules to Comply with Code Section 409A.** In the event that any Restricted Stock Units constitute a “deferral of compensation” under Section 409A of the Internal Revenue Code (the “Code”), the timing of settlement of such Restricted Stock Units (hereinafter defined as “409A RSUs” will be subject to applicable limitations under Code Section 409A and Section 19(a) of the Plan, including the following restrictions on settlement:

(i) **The “six-month delay rule.”** The six-month delay rule will apply to 409A RSUs if these four conditions are met:

a. The Grantee has a “separation from service” (within the meaning of Treasury Regulation § 1.409A-1(h));
b. A distribution of Shares is triggered by the separation from service (but not due to death);

c. The Grantee is a “key employee” (as defined in Code Section 416(i) without regard to paragraph (5) thereof). The Company will determine status of “key employees” annually, under administrative procedures applicable to all plans and arrangements subject to Code Section 409A; and

d. The Company’s stock is publicly traded on an established securities market or otherwise.

If it applies, the six-month delay rule will delay a distribution in settlement of 409A RSUs triggered by the Grantee’s separation from service where the distribution otherwise would be within six months after the separation.

(a) Any delayed payment shall be made on the date six months after the Grantee’s separation from service.

(b) During the six-month delay period, accelerated distribution will be permitted in the event of the Grantee’s death and for no other reason (including no acceleration upon a Change in Control), except for the limited exceptions permitted under the Code Section 409A regulations.

c) Any payment that is not triggered by a separation from service, or triggered by a separation from service but which would be made more than six months after separation (without applying this six-month delay rule), shall be unaffected by the six-month delay rule. Each payment in a series of installments would be treated as a separate payment for this purpose. If the terms of a 409A RSU agreement impose this six-month delay rule in circumstances in which it is not required for compliance with 409A, those terms shall not be given effect.

(ii) Change in Control Rule.

a. If any distribution of 409A RSUs would be triggered by a Change in Control, such distribution will be made only if, in connection with the Change in Control, there occurs a change in the ownership of the Company, a change in effective control of the Company, or a change in the ownership of a substantial portion of the assets of the Company as defined in Treasury Regulation § 1.409A-3(i)(5) (a "409A Change in Control").

b. In this case, distribution of the 409A RSUs shall occur not later than five business days after (i) the occurrence of a 409A Change in Control occurring at the time of or following the Change in Control or (ii) upon occurrence of the Change in Control occurring within 90 days after the 409A Change in Control, but only if the occurrence of the Change in
Control is non-discretionary and objectively determinable at the time of the 409A Change in Control (in this case, the Grantee shall have no influence on when during such 90-day period the settlement shall occur).

c. Upon a Change in Control during the six-month delay period, no accelerated distribution applies (even if the events involve a 409A Change in Control) to a distribution delayed by application of the six-month delay rule.

(iii) **Separation from Service.**

a. Any distribution in settlement of 409A RSUs that is triggered by a termination of employment will occur only at such time as the participant has had a “separation from service” within the meaning of Treasury Regulation § 1.409A-1(h), regardless of whether any other event might be viewed as a termination of employment by the Company for any other purpose.

b. In particular, if a grantee switches to part-time employment or becomes a consultant in connection with a termination of employment, whether the event will be deemed a termination of employment for purposes of 409A RSUs will be determined in accordance with Treasury Regulation § 1.409A-1(h).

(iv) **Other Restrictions.**

a. The settlement of 409A RSUs may not be accelerated by the Company except to the extent permitted under Code Section 409A.

b. Any restriction imposed on RSUs under these 409A Compliance Rules or imposed on RSUs under the terms of other documents solely to ensure compliance with Code Section 409A shall not be applied to RSUs that are not 409A RSUs except to the extent necessary to preserve the status of such RSUs as not 409A RSUs. If any mandatory term required for 409A RSUs or non-409A RSUs to avoid tax penalties under Code Section 409A is not otherwise explicitly provided under this document or other applicable documents, such term is hereby incorporated by reference and fully applicable as though set forth at length herein, and

(v) Any other applicable provisions of Plan Section 19(a) will apply to such Restricted Stock Units.

**SECTION 3. TRANSFER OF RESTRICTED STOCK UNIT AWARD OR UNIT SHARES**

(a) **Transfers Generally Prohibited.** Except as otherwise provided by the Restricted Stock Unit Award Notice or otherwise permitted by the Plan or in the case of a transfer permitted by Section 3(b) below, the Restricted Stock Unit Award may be settled only during
the Grantee’s lifetime and only by the issuance of Unit Shares (or a cash payment in lieu thereof where permitted by the Restricted Stock Unit Award Notice) to Grantee. Except as otherwise provided in Section 3(b) below, the Restricted Stock Unit Award and the rights and privileges conferred by the Restricted Stock Unit Award shall not be sold or otherwise Transferred.

(b) **Certain Transfers Permitted.** Notwithstanding the foregoing provisions of this Section 3, the Restricted Stock Unit Award may be Transferred (i) in the event of the Grantee’s death, by will or the laws of descent and distribution or by a written beneficiary designation accepted by the Company, (ii) by operation of law in connection with a merger, consolidation, recapitalization, reclassification or exchange of Shares, reorganization or similar transaction involving the Company and affecting the Shares generally or (iii) with the approval of the Committee, to a member of Grantee’s family, or a trust primarily for the benefit of Grantee and/or one or more members of Grantee’s family, or to a corporation, partnership or other entity primarily for the benefit of Grantee and/or one or more such family members and/or trusts or (iv) with the approval of the Committee, in another estate or personal financial planning transaction; provided, however, that in any such case the Restricted Stock Unit Award so Transferred and, upon issuance of Unit Shares in settlement thereof, the Unit Shares issued to the Transferee shall remain subject in the hands of the Transferee to the restrictions on Transfer provided hereby and all other terms hereof, including the terms of Section 2(c) above. The foregoing notwithstanding, if RSUs constitute deferrals of compensation for purposes of Code Section 409A, RSUs and any related right of Grantee shall not be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Grantee or his or her beneficiary, except as permitted under Code Section 409A and regulations and guidance thereunder.

(c) **Fiduciary, Securities Law and Officer Restrictions.** As an employee, officer and/or director of the Company, Grantee may be subject to restrictions on his or her ability to sell or otherwise Transfer Unit Shares by reason of being a fiduciary for the Company or by reason of federal or state securities laws and/or the policies regarding transactions in securities of the Company from time to time adopted by the Company and applicable to Grantee in connection therewith. Nothing contained herein shall relieve Grantee of any restriction on sale or other Transfer of Unit Shares provided hereby and any other restrictions of sale or other Transfer of Unit Shares provided herein (including in a Restricted Stock Unit Award Notice or in the Plan) shall be in addition to and not in lieu of any other restrictions provided thereby. Pursuant to the Company’s Equity Ownership Policy currently in effect and as may be amended from time to time, certain officers of the Company are currently, or may in the future be, subject to restrictions on sales or transfers of Unit Shares and other equity rights issued by the Company. If Grantee is at any time subject to such Equity Ownership Policy, sale or transfer of Grantees’ Unit Shares shall be restricted as provided in such Equity Ownership Policy.

**SECTION 4. ADJUSTMENT OF SHARES.**

(a) **Adjustment Generally.** If while the Restricted Stock Unit remains in effect there shall be any change in the outstanding Shares of the class which are to be issued upon
settlement of the Restricted Stock Unit, through merger, consolidation, reorganization, recapitalization, stock dividend, stock split, reverse stock split, combination of shares, exchange of shares for other securities or other like change in the outstanding Shares, or any spin-off, split-off, dividend in kind or other extraordinary dividend or other distribution in respect of such outstanding Shares or other extraordinary change in the capital structure of the Company, an adjustment shall be made to the terms of the Restricted Stock Unit so that the Restricted Stock Unit shall thereafter be ultimately settled, otherwise on the same terms and conditions as provided by the Restricted Stock Unit Award Notice, this Agreement and the Plan, for such securities, cash and/or other property as would have been received in respect of the Shares that would have been issued upon settlement of the Restricted Stock Unit had the Restricted Stock Unit been settled in full immediately prior to such change or distribution (whether or not the Restricted Stock Unit was then fully vested) or, if and to the extent the Committee determines that so adjusting the consideration to be received upon settlement of the Restricted Stock Unit, in whole or in part, is not practicable, the Committee shall equitably modify the consideration to be received in respect of the settlement of the Restricted Stock Unit or other pertinent terms and conditions of the Restricted Stock Unit as provided by Section 4(b) below. Such an adjustment shall be made successively each time any such change in the outstanding Shares of the class which may be received upon settlement of the Restricted Stock Unit or extraordinary distribution in respect of such outstanding Shares or extraordinary change in the capital structure of the Company shall occur.

(b) Modification Of Restricted Stock Unit. In the event any change in the outstanding Shares of the class which may be received upon settlement of the Restricted Stock Unit or extraordinary distribution in respect of such outstanding Shares or extraordinary change in the capital structure of the Company described in Section 4(a) above occurs, or in the event of any change in applicable laws or any change in circumstances which results in or would result in any substantial dilution or enlargement of the rights granted to, or available for, Grantee in respect of a Restricted Stock Unit or otherwise as a participant in the Plan or which otherwise warrants equitable adjustment to the terms and conditions of the Restricted Stock Unit because such event or circumstances interferes with the intended operation of the Plan (including the intended tax consequences of Awards) occurs, then the Committee shall adjust the number and kind of Unit Shares and/or other securities and/or cash or other property that may be issued or delivered upon the settlement of the Restricted Stock Unit and/or adjust the other terms and conditions of the Restricted Stock Unit as the Committee in its discretion determines to be equitable in order to prevent dilution or enlargement of the Grantee’s rights in respect of the Restricted Stock Unit as such existed before such event. Appropriate adjustments shall likewise be made by the Committee in other terms and conditions of the Restricted Stock Unit to reflect equitably such changes in circumstances, including modifications of performance targets and changes in the length of performance periods relating to the vesting of the Restricted Stock Unit or any restrictions on Unit Shares. Notwithstanding the foregoing, no adjustment shall be made which is prohibited by Section 13 of the Plan.

(c) Modifications To Comply With Section 409A. To the extent applicable, this Agreement (including any related Notice of Restricted Stock Award) shall be interpreted in accordance with Code Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or
guidance that may be issued after the date on which a Restricted Stock Unit was awarded. Without limiting
the authority of the Committee under Section 4(b) above to make modifications to the Restricted Stock Unit
by reason of changes in law or circumstances that would result in any substantial dilution or enlargement of
the rights granted to, or available for, Grantee in respect of a Restricted Stock Unit or otherwise as a
participant in the Plan or which otherwise warrants equitable adjustment to the terms and conditions of the
Restricted Stock Unit because such event interferes with the operation of the Plan, and notwithstanding any
provision of this Agreement to the contrary, in the event that the Committee or an authorized officer of the
Company determines that any amounts will be immediately taxable to the Participant under Section 409A of
the Code and related Department of Treasury guidance (or subject the Grantee to a penalty tax) in connection
with the grant or vesting of the Restricted Stock Unit or any other provision of the Restricted Stock Unit
Award Notice or this Agreement or the Plan, the Company may (a) adopt such amendments to the Restricted
Stock Unit, including amendments to this Agreement (having prospective or retroactive effect), that the
Committee or authorized officer determines to be necessary or appropriate to preserve the intended tax
treatment of the Restricted Stock Unit and/or (b) take such other actions as the Committee or authorized
officer determines to be necessary or appropriate to comply with the requirements of Section 409A of the
Code and related Department of Treasury guidance, including such Department of Treasury guidance and
other interpretive materials as may be issued after the date on which such Restricted Stock Unit was awarded,
but only to the extent permitted under Code Section 409A and regulations and guidance thereunder.

SECTION 5. MISCELLANEOUS PROVISIONS.

(a) Rights as a Shareholder. Neither the Grantee nor the Grantee’s personal representative or
permitted Transferee shall have any rights as a shareholder with respect to any Unit Shares until the Grantee
or his or her personal representative or permitted Transferee becomes entitled to receive such Unit Shares
pursuant to this Agreement, the Plan and the applicable Restricted Stock Unit Award Notice, and any such
right shall also be subject to Sections 2(g) and 3(c) above.

(b) Tenure. Nothing in the Restricted Stock Unit Award Notice, this Agreement or in the Plan shall
confer upon the Grantee any right to continue in the Company’s Service for any period of specific duration or
interfere with or otherwise restrict in any way the rights of the Company (or any Related Employer) or of the
Grantee, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and
for any reason, with or without cause.

(c) Notification. Any notification required by the terms of this Agreement shall be given in writing
and shall be deemed effective upon personal delivery to the Treasurer, General Counsel, Secretary or any
Assistant Secretary of the Company or five Business Days upon deposit with the United States Postal
Service, by registered or certified mail, with postage and fees prepaid addressed to the Company. A notice
shall be addressed to the Company at its principal executive office, marked to the attention of the Corporate
Secretary, and to the Grantee at the address that he or she most recently provided to the Company.
Entire Agreement. This Agreement, any related Restricted Stock Unit Award Notice and the Plan constitute the entire contract between the parties hereto with regard to the subject matter hereof and supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof.

Waiver. No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

Successors and Assigns. The provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Grantee, the Grantee’s personal representatives, heirs, legatees and other permitted Transferees, assigns and the legal representatives, heirs and legatees of the Grantee’s estate, whether or not any such person shall have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

Choice of Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, as such laws are applied to contracts entered into and performed in such State.

SECTION 6. DEFINITIONS.

(a) “Code” shall mean the Internal Revenue Code of 1986, as amended and as the same may be amended from time to time, and the regulations promulgated thereunder.

(b) “Company” shall mean Magellan Health, Inc., a Delaware corporation, and any successor thereto.

(c) “Exchange Act” shall mean the Securities Exchange Act of 1934, as amended and as the same may be amended from time to time, and any successor statute, and the rules and regulations promulgated thereunder.

(d) “Securities Act” shall mean the Securities Act of 1933, as amended and as the same may be amended from time to time, and any successor statute, and the rules and regulations promulgated thereunder.

(e) “Share” shall mean a share of Ordinary Common Stock, $0.01 par value per share, of the Company, as the same may generally be exchanged for or changed into any other share of capital stock or other security of the Company or any other company in connection with a transaction referred to in Section 4 above (and in the event of any such successive exchange or change, any security resulting from any such successive exchange or change).

(f) “Transfer” shall mean, with respect to any Restricted Stock Unit or any Unit Share, any sale, assignment, transfer, alienation, conveyance, gift, bequest by will or under intestacy laws, pledge, lien encumbrance or other disposition, with or without consideration, of all or part of such Restricted Stock Unit or any Unit Share, or of any beneficial interest therein, now
or hereafter owned by the Grantee, including by execution, attachments, levy or similar process.

In consideration of the foregoing and intending to be legally bound hereby, the Company and the Grantee named below have executed this Agreement as of the date first above written.

MAGELLAN HEALTH, INC.

By:

Name: Kenneth J. Fasola
Title: Chief Executive Officer

READ AND ACCEPTED BY GRANTEE:

_______________________________
Signature – [Name]

_______________________________
Print Name

Address of Grantee:

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MAGELLAN HEALTH, INC.

2016 MANAGEMENT INCENTIVE PLAN

NOTICE OF RESTRICTED STOCK UNIT AWARD

(REFERENCE NO. 2016-MARCH 4, 2020)

Name of Grantee: [NAME]
Date of Grant: March 4, 2020
Type of Award: Restricted Stock Units, each Restricted Stock Unit representing the right to receive on the terms and conditions of the Restricted Stock Unit Agreement between Grantee and the Company referenced below and the terms and conditions of this notice a share of Ordinary Common Stock, par value $0.01 per share (“Share”), of Magellan Health, Inc. (the “Company”), subject to adjustment thereto as provided in such Restricted Stock Unit Agreement (a “Unit Share”), or at the election of the Company a cash payment in lieu thereof.

Total Number of Restricted Stock Units Awarded: ________ Restricted Stock Units.

Vesting:

This Award shall vest in accordance with the vesting schedule set forth below, provided that the Grantee’s Service with the Company, a Subsidiary or a Parent company has not terminated prior to the vesting date. In the event Grantee’s employment is terminated prior to vesting of the Award for any reason other than as provided below with regard to certain terminations following a Change in Control of the Company, the Award granted hereunder shall immediately be forfeited by and canceled, except as otherwise provided in the Company’s “Retirement Policy Applicable to Employee Long-Term Incentive Awards” or otherwise provided in any employment agreement between the Grantee and the Company in effect at the date of termination of employment.

<table>
<thead>
<tr>
<th>Vesting Date</th>
<th>Vesting Percentage</th>
</tr>
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<tbody>
<tr>
<td>1st anniversary of the Date of Grant (March 4, 2021)</td>
<td>33.4%</td>
</tr>
<tr>
<td>2nd anniversary of the Date of Grant (March 4, 2022)</td>
<td>66.7% (i.e., an additional 33.3%)</td>
</tr>
<tr>
<td>3rd anniversary of the Date of Grant (March 4, 2023)</td>
<td>100% (i.e., an additional 33.3%)</td>
</tr>
</tbody>
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This Restricted Stock Unit shall earlier vest immediately with respect to 100% of the Unit Shares subject hereto in the event, after the date hereof, a Change in Control of the Company (as defined below) shall have occurred and within the period of eighteen months (or such other period as is provided by Grantee’s employment agreement, if any, in effect at the time of the Change of Control) following occurrence of the Change in Control, Grantee’s Service with the Company shall be terminated by the Company without Cause (as defined below) or by the Grantee with Good Reason (as defined below), provided that the Grantee’s Service with the Company has not previously terminated after the date hereof for any other reason. For purposes of this Restricted Stock Unit, the terms “Change in Control,” “Cause” and “Good Reason” shall have the same meanings as provided in any employment agreement between the Company and
Grantee in effect at the time of the Change in Control (including any terms of substantially comparable significance in any such employment agreement even if not of identical wording) or, if no such employment agreement is in effect at such time or no such meanings are provided in such employment agreement, shall have the meanings ascribed thereto below:

(1) A “Change in Control” of the Company shall mean the first to occur after the date hereof of any of the following events:

a. any “person,” as such term is used in Sections 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), becomes a “beneficial owner,” as such term is used in Rule 13d-3 promulgated under the Exchange Act, of greater than 50% of the Voting Stock (as defined below) of the Company;

b. the majority of the Board of Directors of the Company consists of individuals other than “Continuing Directors,” which shall mean the members of the Board on the date hereof, provided that any person becoming a director subsequent to the date hereof whose election or nomination for election was supported by a vote of the directors who then comprised the Continuing Directors, shall be considered to be a Continuing Director;

c. the Board of Directors of the Company adopts and, if required by law or the certificate of incorporation of the Corporation, the shareholders approve the dissolution of the Company or a plan of liquidation or comparable plan providing for the disposition of all or substantially all of the Company’s assets;

d. at least 75% of the consolidated assets of the Company (measured using a quantitative analysis determined in good faith by the Board) are disposed of in a single transaction pursuant to a merger, consolidation, share exchange, reorganization or other transaction unless the shareholders of the Company immediately prior to such merger, consolidation, share exchange, reorganization or other transaction beneficially own, directly or indirectly, in substantially the same proportion as they previously owned the Voting Stock or other ownership interests of the Company, 51% or more of the Voting Stock or other ownership interests of the entity or entities, if any, that succeed to the business of the Company; or

e. the Company merges or combines with another company and, immediately after the merger or combination, the shareholders of the Company immediately prior to the merger or combination own, directly or indirectly, 50% or less of the Voting Stock of the successor company, provided that in making such determination there shall being excluded from the number of shares of Voting Stock held by such shareholders, but not from the Voting Stock of the successor company, any shares owned by Affiliates of such other company who were not also Affiliates of the Company prior to such merger or combination.

(2) “Cause” shall mean:
a. Grantee is convicted of (or pleads guilty or nolo contendere to) a felony or a crime involving moral turpitude;

b. Grantee’s commission of an act of fraud or dishonesty involving his or her duties on behalf of the Company;

c. Grantee’s willful failure or refusal to faithfully and diligently perform duties lawfully assigned to Grantee as an officer or employee of the Company or other willful breach of any material term of any employment agreement at the time in effect between the Company and Grantee; or

d. Grantee’s willful failure or refusal to abide by the Company’s policies, rules, procedures or directives, including any material violation of the Company’s Code of Ethics.

(3) “Good Reason” shall mean:

a. a material reduction in Grantee’s salary in effect at the time of a Change in Control, unless such reduction is comparable in degree to the reduction that takes place for all other employees of the Company of comparable rank (for which purpose any person who is an executive officer of the Company (as determined for purposes of the Exchange Act) shall be considered of comparable rank) or a material reduction in Grantee’s target bonus opportunity for the year in which or any year after the year in which the Change of Control occurs from Grantee’s target bonus opportunity for the year in which the Change in Control occurs (if any) as established under any employment agreement Grantee has with the Company or any bonus plan of the Company applicable to Grantee (or, if no such target bonus opportunity has yet been established for Grantee under a bonus plan applicable to Grantee for the year in which the Change of Control has occurred, the target bonus opportunity so established for Grantee for the immediately preceding year (if any)). For purposes of this provision, an action or actions of the Company will be deemed "material" if, individually or in the aggregate, the action or actions result(s) or potentially result(s) in a reduction in compensation in the current year or a future year having a present value to Grantee of at least one and one half percent (1.5%) of Grantee’s then current base salary, provided that Grantee will have a legal right to claim damages for a breach of contract for any action by the Company or event having an effect described under those paragraphs that does not meet this objective materiality test, and actions may be material in a given case at levels less than the specified level.

b. a material diminution in Grantee’s position, duties or responsibilities as in effect at the time of a Change in Control or the assignment to Grantee of duties which are materially inconsistent with such position, duties and authority, unless in either case such change is made with the consent of the Grantee; or
c. the relocation by more than 50 miles of the offices of the Company which constitute at the time of the Change in Control Grantee’s principal location for the performance of his or her services to the Company;

provided that, in each such case, Grantee provides notice to the Company within 90 days that such event or condition constituting Good Reason has arisen, and such event or condition continues uncured for a period of more than 30 days after Grantee gives notice thereof to the Company, and Grantee terminates Service within eighteen months after such event or condition has arisen.

For purposes of the foregoing definitions, (A) “the Company” shall include any entity that succeeds to all or substantially all of the business of the Company, (B) “Affiliate” of a person or other entity shall mean a person or other entity that directly or indirectly controls, is controlled by, or is under common control with the person or other entity specified, and (C) “Voting Stock” shall mean any capital stock of any class or classes having general voting power under ordinary circumstances, in the absence of contingencies, to elect the directors of a corporation and reference to a percentage of Voting Stock shall refer to such percentage of the votes that all such Voting Stock is entitled to cast.

Settlement of Award: Unit Shares in settlement of this Award (or, at the Company’s election, cash in lieu thereof) shall be delivered to Grantee on the Vesting Date (such date, the “Settlement Date”) as further provided in Grantee’s Restricted Stock Unit Agreement with the Company.

Dividend Equivalent Rights: NONE.

Transfer Restrictions: Unit Shares issued in settlement of this Award shall not be subject to any additional transfer restrictions, other than those provided by Grantee’s Restricted Stock Unit Agreement.

By signing your name below, you acknowledge and agree that this Award is governed by the terms and conditions of the Magellan Health, Inc. 2016 Management Incentive Plan (“Plan”), or a predecessor plan, and the Restricted Stock Unit Agreement, reference number 2016-March 4, 2020 (“Agreement”), both of which are hereby made a part of this document. Capitalized terms used but not defined in this Notice of Restricted Stock Unit Award shall have the meanings assigned to them in the Plan and Agreement.

MAGELLAN HEALTH, INC.

Name: Kenneth J. Fasola
Title: Chief Executive Officer

GRANTEE:

Name: 

Date: 

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SECTION 1. GRANT OF PERFORMANCE-BASED RESTRICTED STOCK UNITS.

(a) Performance-Based Restricted Stock Units. On the terms and conditions set forth in this Performance-Based Restricted Stock Unit Agreement (the “Agreement”) and each Notice of Performance-Based Restricted Stock Unit Award referencing this Agreement, Magellan Health, Inc. (the “Company,” as further defined below) grants to the Grantee referred to on the signature page hereof the right to receive on the Settlement Date (as hereinafter defined) the number of shares of Ordinary Common Stock, $0.01 par value per share, of the Company (“Shares,” as further defined below) equal to the number of “Performance Stock Units” awarded to the Grantee as set forth in the Notice of Performance-Based Restricted Stock Unit Award, subject to adjustment thereto on account of any change that may be made in the Shares as provided by Section 4 below (the “Performance Unit Shares”). Each such Notice of Performance-Based Restricted Stock Unit Award, together with this referenced Agreement, shall be a separate “Performance-Based Restricted Stock Unit” governed by the terms of this Agreement and any such separate Performance-Based Restricted Stock Unit may be referred to herein as the “Performance-Based Restricted Stock Unit,” and, as pertinent, any of multiple Notices of Performance-Based Restricted Stock Unit Award referencing this Agreement may be referred to herein as the “Performance-Based Restricted Stock Unit Award Notice.”

(b) 2016 Management Incentive Plan and Defined Terms. The Performance-Based Restricted Stock Unit Award is granted under and subject to the terms of the 2016 Management Incentive Plan, as amended and supplemented from time to time (the “Plan”), which is incorporated herein by this reference. Unless otherwise defined herein, capitalized terms used herein shall have the meanings ascribed to them in the Plan or the Performance-Based Restricted Stock Unit Award Notice.

(c) Scope of this Agreement. This Agreement shall apply both to the Performance-Based Restricted Stock Unit and to any Performance Unit Shares acquired upon the settlement of the Performance-Based Restricted Stock Units. This Agreement references the terms of the Non-Competition, Non-Solicitation, and Confidentiality Agreement previously executed by Grantee and the Company or a Related Employer (as defined in Section 12(a)(i)) and/or any similar agreement that legally binds Grantee not to compete with or not to solicit employees or customers of the Company or any Related Employer and related covenants (any or all of the foregoing being the “Non-Compete Agreement”).
(a) **Vesting.** The Performance-Based Restricted Stock Unit shall vest in whole or in part on the date or dates provided by the Notice of Performance-Based Restricted Stock Unit Award, provided that Grantee remains in the Service of the Company or a Related Employer at such date; it being understood that the Notice of Performance-Based Restricted Stock Unit Award may provide that the Performance-Based Restricted Stock Unit shall vest upon termination of Grantee’s Service in such circumstances as are provided in the Notice of Performance-Based Restricted Stock Unit Award (subject to Section 2(e) below).

(b) **Settlement in Shares.** Subject to the following provisions of this Section 2, the Company shall settle the Performance-Based Restricted Stock Unit, to the extent it has vested, on the date on which the Performance-Based Restricted Stock Unit has vested (or, if such date is not a Business Day, the preceding Business Day) by the delivery to Grantee of the number of Performance Unit Shares equal to the number of Performance-Based Restricted Stock Units so vested. The date on which a Performance-Based Restricted Stock Unit is Subject to subsection 2(e) below, in settlement of the Performance-Based Restricted Stock Unit, the Company shall cause to be issued on the Settlement Date or as soon as practicable thereafter (but not more than five business days) an appropriate certificate or certificates for the Performance Unit Shares, registered in the name of the Grantee (or, at the direction of the Grantee, in the names of such person and his or her spouse as community property or as joint tenants with right of survivorship or as tenants in the entirety); provided, however, that such Performance Unit Shares shall be subject to such restrictions on transfer or other restrictions as are provided by the Performance-Based Restricted Stock Unit Award Notice and the certificates so issued may bear a legend reflecting such restrictions and any restrictions applicable in accordance with subsections 2(g) and 3(c) below.

(c) **Alternative Settlement in Cash.** In lieu of settlement of the Performance-Based Restricted Stock Unit in Performance Unit Shares, the Committee may in its sole discretion elect to settle all or a portion of the Performance-Based Restricted Stock Unit by a cash payment equal to the Fair Market Value as of the Settlement Date of the Performance Unit Shares that would otherwise have been issued under this Agreement. Such payment may be made by good check of the Company issued in accordance with its normal payroll practices or such other means as are acceptable to the Company.

(d) **Withholding Requirements.** The Company may withhold any tax (or other governmental obligation) the Company is required to withhold as a result of the grant of the Performance-Based Restricted Stock Unit and/or the issuance of Performance Unit Shares (or cash in lieu of Performance Unit Shares) in settlement of a Performance-Based Restricted Stock Unit and, as a condition to the grant of the Performance-Based Restricted Stock Unit or issuance of the Performance Unit Shares in settlement thereof, the Grantee shall make arrangements satisfactory to the Company to enable it to satisfy all such withholding requirements.
Injurious Conduct.

(i) In the event that the Grantee has engaged in Injurious Conduct (as defined in Section 2(e)(ii)(A) below) during Grantee’s Service or during the Restricted Period (as defined in Section 2(e)(ii)(B) below) following termination of Grantee’s Service, then the following forfeitures and related terms will apply to the Award and the Performance Unit Shares and related benefits (including Dividend Equivalents and/or dividends), as authorized by Plan Section 12 and other applicable provisions of the Plan:

(A) No Performance Unit Shares shall be issued to Grantee in connection with the settlement of the Award after such determination (even if the Award is fully vested) nor shall any other benefit thereafter accrue to the Grantee under this Agreement (including by reason of the lapse of any restriction on transfer or other restriction then applicable to Performance Unit Shares that have been issued).

(B) The unsettled Award shall be forfeited and shall terminate and any Performance Unit Shares subject to any such restrictions shall be forfeited.

(C) As authorized by the Plan (including Sections 12(a) and (b)), any benefits realized by Grantee as a result of the Award, if the Award vested during the three-year period prior to the time such Injurious Conduct occurred (or, if longer than three years, the period equal to the Restricted Period), including benefits resulting from the lapse of any restrictions on Shares issued as a result thereof and Dividend Equivalents relating to the Award and dividends relating to the such Shares, shall be forfeited by Grantee and Grantee shall pay over to the Company any Shares received by Grantee in connection with the Award, if still owned by Grantee, or the cash value of such Shares (such value to be measured as of the date of the cash payment by Grantee hereunder), together with any cash amount received by Grantee as related Award benefits (without discount or interest; for clarity, taxes previously withheld will be deemed to have been received by Grantee).

(ii) The forfeitures and related terms of Section 2(e)(i) are subject to the following:

(A) For purposes of this Agreement, “Injurious Conduct” means an event as specified in Plan Section 12(a)(i) or a violation by Grantee of any material provision of Grantee’s Non-Compete Agreement with the Company or any Related Company or, if Grantee has no Non-Compete Agreement, an event as specified in Plan Section 12(a)(ii).

(B) For purposes of this Agreement, the “Restricted Period” means the length of the period during which Grantee remains bound by non-competition and/or non-solicitation covenants following termination of Grantee’s Service under Grantee’s Non-Compete Agreement, except that, if Grantee is not bound by a Non-Compete Agreement, the Restricted Period will be one year.
The terms of this Section 2 are intended to modify and supersede certain terms of Plan Section 12, including modifying the definition of “Injurious Conduct” and modifying the post-termination periods in which forfeitures may occur and during which (under Plan Section 12(c)) the Committee shall determine whether Injurious Conduct has occurred and any resulting forfeitures, and therefore the terms of this Section 2 control to the extent the terms differ from Plan Section 12. The forfeitures or related terms of this Section 2 may be waived or limited by the terms of any agreement executed by the Company with the approval of the Committee.

In the case of Section 2(e)(i)(A) and (B), such forfeitures and related terms will not apply to the Award if the settlement of the Award has been deferred at the election of the Grantee and if the Award was fully vested for a period of at least three years or, if longer, a period at least equal to the Restricted Period before the date such Injurious Conduct occurred; in such case, the Company is not excused from settling, completing delivery of or removing any legend restricting the transfer of the Award or Shares and any related Dividend Equivalent Rights or dividends.

Any forfeitures hereunder, based on the Committee’s determination that Grantee has engaged in Injurious Conduct during Grantee’s Service or during the Restricted Period, and the terms of this Section 2 shall not relieve Grantee of any other liability he or she may have to the Company or a Related Employer as a result of engaging in the Injurious Conduct, including any right of the Company or any Related Employer to injunctive or other equitable relief.

Transfer Restrictions On Performance Unit Shares. Subject to subsection 2(d) above and subsections 2(g) and 3(c) below, unless otherwise provided by the Performance-Based Restricted Stock Unit Award Notice or another agreement between Grantee and the Company, upon the acquisition of Performance Unit Shares pursuant to the settlement of a Performance-Based Restricted Stock Unit Award, Grantee shall be free to dispose of the Performance Unit Shares so acquired in any manner and at any time.

Securities Law Restrictions On Issuance of Performance Unit Shares. Unless a registration statement under the Securities Act permitting the sale and delivery of Performance Unit Shares upon settlement of the Performance-Based Restricted Stock Unit Award is in effect on the Settlement Date, the Company shall not be required to issue Performance Unit Shares upon such settlement, except as otherwise provided in this subsection. The Company shall use its commercially reasonable efforts to register under the Securities Act sufficient Performance Unit Shares to permit delivery to Grantee of all Performance Unit Shares that may be acquired by Grantee upon the settlement of the Performance-Based Restricted Stock Unit Award; provided, however, that the Company shall only be so required to register the Performance Unit Shares on Form S-8 under the Securities Act (or any successor form). Notwithstanding the foregoing, the Company shall, if Grantee has given the Company at least 90 days’ notice requesting the Company to register in accordance with the foregoing provisions of this subsection the Performance Unit Shares that may then be acquired by Grantee upon settlement of the Performance-Based Restricted Stock.
Unit Award and the Company has failed to do so, issue Performance Unit Shares to Grantee upon settlement of the Performance-Based Restricted Stock Unit Award without registration thereof under the Securities Act if (i) Grantee represents, effective on the date of such issuance, in writing in a form acceptable to the Company (A) that such Performance Unit Shares are being acquired for investment and not with a present view to distribution, (B) Grantee understands that the Performance Unit Shares have not been registered under the Securities Act and cannot be sold or otherwise Transferred unless a registration statement under the Securities Act is in effect with respect thereto or the Company has received an opinion of counsel, satisfactory to it, to the effect that such registration is not required, (C) that Grantee has, alone or together with any qualified advisor, such knowledge and experience in financial and business matters as is necessary to evaluate the risks of an investment in the Performance Unit Shares, is acquiring the Performance Unit Shares based on an independent evaluation of the long-term prospects of an investment in the Performance Unit Shares and has been furnished with such financial and other information regarding the Company as the Grantee has requested for purposes of making such evaluation, and (D) Grantee is able to bear the economic risk of an investment in the Performance Unit Shares subject to such restrictions on Transfer and (ii) if the Company determines that under the circumstances issuing the Performance Unit Shares pursuant to such settlement of the Performance-Based Restricted Stock Unit Award is lawful; provided, however, that the Company may require, as a condition of such issuance of Performance Unit Shares, that Grantee execute and deliver to it such other certificates, agreements and other instruments as in the judgment of the Company, upon advice of counsel, are necessary or appropriate to assure that the Performance Unit Shares are issued to Grantee in accordance with the Securities Act and any other applicable securities law and may require that any certificates representing Performance Unit Shares so issued bear any restrictive legend appropriate for such purpose. In addition, even if a registration statement under the Securities Act permitting the delivery of Performance Unit Shares upon settlement of the Performance-Based Restricted Stock Unit Award is in effect at the Settlement Date, the Company may suspend the issuance of Performance Unit Shares pursuant to the settlement of all Performance-Based Restricted Stock Unit Awards issued under the Plan for such period of time as in the judgment of the Company, upon advice of counsel, is necessary in order for the Company to come into compliance with all the reporting requirements applicable to the Company pursuant to Section 13(a) of the Exchange Act or to otherwise avoid in connection with the issuance of the Performance Unit Shares under such registration statement a violation of Sections 10, 11 or 12 of the Securities Act. If the Company suspends the issuance of Performance Unit Shares pursuant to the settlement of Performance-Based Restricted Stock Unit Awards issued under the Plan, the Company shall give prompt written notice thereof to the Grantee (but the failure of the Company to give such notice shall not prevent the Company from suspending the issuance of Performance Unit Shares as permitted hereby) and, at such time as such period of suspension ends, shall give prompt written notice thereof to Grantee. Notwithstanding that the Company in accordance with this subsection may not be able to issue Performance Unit Shares in settlement of a Performance-Based Restricted Stock Unit, the Company shall not be required to settle a Performance-Based Restricted Stock Unit in cash, but may do so if it elects in its discretion to do so, as provided by subsection 2(c) above.

(h) Special Distribution Rules to Comply with Code Section 409A. In the event that any Performance-Based Restricted Stock Units constitute a “deferral of compensation” under
Section 409A of the Internal Revenue Code (the “Code”), the timing of settlement of such Performance-Based Restricted Stock Units (hereinafter defined as “409A RSUs”) will be subject to applicable limitations under Code Section 409A and Section 19(a) of the Plan, including the following restrictions on settlement:

(i) **The “six-month delay rule.”** The six-month delay rule will apply to 409A RSUs if these four conditions are met:

a. The Grantee has a “separation from service” (within the meaning of Treasury Regulation § 1.409A-1(h));

b. A distribution of Shares is triggered by the separation from service (but not due to death);

c. The Grantee is a “key employee” (as defined in Code Section 416(i) without regard to paragraph (5) thereof). The Company will determine status of “key employees” annually, under administrative procedures applicable to all plans and arrangements subject to Code Section 409A; and

d. The Company’s stock is publicly traded on an established securities market or otherwise.

If it applies, the six-month delay rule will delay a distribution in settlement of 409A RSUs triggered by the Grantee’s separation from service where the distribution otherwise would be within six months after the separation.

(a) Any delayed payment shall be made on the date six months after the Grantee’s separation from service.

(b) During the six-month delay period, accelerated distribution will be permitted in the event of the Grantee’s death and for no other reason (including no acceleration upon a Change in Control), except for the limited exceptions permitted under the Code Section 409A regulations.

(c) Any payment that is not triggered by a separation from service, or triggered by a separation from service but which would be made more than six months after separation (without applying this six-month delay rule), shall be unaffected by the six-month delay rule. Each payment in a series of installments would be treated as a separate payment for this purpose. If the terms of a 409A RSU agreement impose this six-month delay rule in circumstances in which it is not required for compliance with Code Section 409A, those terms shall not be given effect.

(ii) **Change in Control Rule.**
a. If any distribution of 409A RSUs would be triggered by a Change in Control, such
distribution will be made only if, in connection with the Change in Control, there occurs
a change in the ownership of the Company, a change in effective control of the
Company, or a change in the ownership of a substantial portion of the assets of the
Company as defined in Treasury Regulation § 1.409A-3(i)(5) (a "409A Change in
Control").

b. In this case, distribution of the 409A RSUs shall occur not later than five business days
after (i) the occurrence of a 409A Change in Control occurring at the time of or
following the Change in Control or (ii) upon occurrence of the Change in Control
occurring within 90 days after the 409A Change in Control, but only if the occurrence of
the Change in Control is non-discretionary and objectively determinable at the time of
the 409A Change in Control (in this case, the Grantee shall have no influence on when
during such 90-day period the settlement shall occur).

c. Upon a Change in Control during the six-month delay period, no accelerated distribution
applies (even if the events involve a 409A Change in Control) to a distribution delayed
by application of the six-month delay rule.

(iii) Separation from Service.

a. Any distribution in settlement of 409A RSUs that is triggered by a termination of
employment will occur only at such time as the participant has had a “separation from
service” within the meaning of Treasury Regulation § 1.409A-1(h), regardless of
whether any other event might be viewed as a termination of employment by the
Company for any other purpose.

b. In particular, if a Grantee switches to part-time employment or becomes a consultant in
connection with a termination of employment, whether the event will be deemed a
termination of employment for purposes of 409A RSUs will be determined in
accordance with Treasury Regulation § 1.409A-1(h).

(iv) Other Restrictions.

a. The settlement of 409A RSUs may not be accelerated by the Company except to the
extent permitted under Code Section 409A.

b. Any restriction imposed on RSUs under these 409A Compliance Rules or imposed on
RSUs under the terms of other documents solely to ensure compliance with Code
Section 409A shall not be applied to RSUs that are not 409A RSUs except to the extent
necessary to preserve the status of such RSUs as not 409A RSUs. If any mandatory term
required for 409A RSUs or non-409A RSUs to avoid tax penalties under Code
(v) Any other applicable provisions of Plan Section 19(a) will apply to such Performance-Based Restricted Stock Units.

SECTION 3. TRANSFER OF PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD OR PERFORMANCE UNIT SHARES

(a) Transfers Generally Prohibited. Except as otherwise provided by the Performance-Based Restricted Stock Unit Award Notice or otherwise permitted by the Plan or in the case of a transfer permitted by subsection 3(b) below, the Performance-Based Restricted Stock Unit Award may be settled only during the Grantee’s lifetime and only by the issuance of Performance Unit Shares (or a cash payment in lieu thereof where permitted by the Performance-Based Restricted Stock Unit Award Notice) to Grantee. Except as otherwise provided in subsection 3(b) below, the Performance-Based Restricted Stock Unit Award and the rights and privileges conferred by the Performance-Based Restricted Stock Unit Award shall not be sold or otherwise Transferred.

(b) Certain Transfers Permitted. Notwithstanding the foregoing provisions of this Section 3, the Performance-Based Restricted Stock Unit Award may be Transferred (i) in the event of the Grantee’s death, by will or the laws of descent and distribution or by a written beneficiary designation accepted by the Company, (ii) by operation of law in connection with a merger, consolidation, recapitalization, reclassification or exchange of Shares, reorganization or similar transaction involving the Company and affecting the Shares generally or (iii) with the approval of the Committee, to a member of Grantee’s family, or a trust primarily for the benefit of Grantee and/or one or more members of Grantee’s family, or to a corporation, partnership or other entity primarily for the benefit of Grantee and/or one or more such family members and/or trusts or (iv) with the approval of the Committee, in another estate or personal financial planning transaction; provided, however, that in any such case the Performance-Based Restricted Stock Unit Award so Transferred and, upon issuance of Performance Unit Shares in settlement thereof, the Performance Unit Shares issued to the Transferee shall remain subject in the hands of the Transferee to the restrictions on Transfer provided hereby and all other terms hereof, including the terms of subsection 2(c) above. The foregoing notwithstanding, if RSUs constitute deferrals of compensation for purposes of Code Section 409A, RSUs and any related right of Grantee shall not be subject to anticipation, alienation, sale, transfer, assignment, pledge, encumbrance, attachment, or garnishment by creditors of the Grantee or his or her beneficiary, except as permitted under Code Section 409A and regulations and guidance thereunder.

(c) Fiduciary, Securities Law and Officer Restrictions. As an employee, officer and/or director of the Company, Grantee may be subject to restrictions on his or her ability to sell or otherwise Transfer Performance Unit Shares by reason of being a fiduciary for the Company or by reason of federal or state securities laws and/or the policies regarding transactions in securities of the Company from time to time adopted by the Company and
applicable to Grantee in connection therewith. Nothing contained herein shall relieve Grantee of any restriction on sale or other Transfer of Performance Unit Shares provided thereby and any other restrictions of sale or other Transfer of Performance Unit Shares provided herein (including in a Performance-Based Restricted Stock Unit Award Notice or in the Plan) shall be in addition to and not in lieu of any other restrictions provided thereby. Pursuant to the Company’s Equity Ownership Policy currently in effect and as may be amended from time to time, certain officers of the Company are currently, or may in the future be, subject to restrictions on sales or transfers of Performance Unit Shares and other equity rights issued by the Company. If Grantee is at any time subject to such Equity Ownership Policy, sale or transfer of Grantees’ Performance Unit Shares (other than any sale to pay any taxes due upon vesting and/or delivery of the Performance Unit Shares) shall be restricted as provided in such Equity Ownership Policy.

SECTION 4. ADJUSTMENT OF SHARES.

(a) Adjustment Generally. If while the Performance-Based Restricted Stock Unit remains in effect there shall be any change in the outstanding Shares of the class which are to be issued upon settlement of the Performance-Based Restricted Stock Unit, through merger, consolidation, reorganization, recapitalization, stock dividend, stock split, reverse stock split, combination of shares, exchange of shares for other securities or other like change in the outstanding Shares, or any spin-off, split-off, dividend in kind or other extraordinary dividend or other distribution in respect of such outstanding Shares or other extraordinary change in the capital structure of the Company, an adjustment shall be made to the terms of the Performance-Based Restricted Stock Unit so that the Performance-Based Restricted Stock Unit shall thereafter be ultimately settled, otherwise on the same terms and conditions as provided by the Performance-Based Restricted Stock Unit Award Notice, this Agreement and the Plan, for such securities, cash and/or other property as would have been received in respect of the Shares that would have been issued upon settlement of the Performance-Based Restricted Stock Unit had the Performance-Based Restricted Stock Unit been settled in full immediately prior to such change or distribution (whether or not the Performance-Based Restricted Stock Unit was then fully vested) or, if and to the extent the Committee determines that so adjusting the consideration to be received upon settlement of the Performance-Based Restricted Stock Unit, in whole or in part, is not practicable, the Committee shall equitably modify the consideration to be received in respect of the settlement of the Performance-Based Restricted Stock Unit or other pertinent terms and conditions of the Performance-Based Restricted Stock Unit as provided by subsection 4(b) below. Such an adjustment shall be made successively each time any such change in the outstanding Shares of the class which may be received upon settlement of the Performance-Based Restricted Stock Unit or extraordinary distribution in respect of such outstanding Shares or extraordinary change in the capital structure of the Company shall occur.

(b) Modification Of Performance-Based Restricted Stock Unit. In the event any change in the outstanding Shares of the class which may be received upon settlement of the Performance-Based Restricted Stock Unit or extraordinary distribution in respect of such outstanding Shares or extraordinary change in the capital structure of the Company described in subsection 4(a) above occurs, or in the event of any change in applicable laws or any change in circumstances which results in or would result in any substantial dilution or enlargement...
of the rights granted to, or available for, Grantee in respect of a Performance-Based Restricted Stock Unit or otherwise as a participant in the Plan or which otherwise warrants equitable adjustment to the terms and conditions of the Performance-Based Restricted Stock Unit because such event or circumstances interferes with the intended operation of the Plan (including the intended tax consequences of Awards) occurs, then the Committee shall adjust the number and kind of Performance Unit Shares and/or other securities and/or cash or other property that may be issued or delivered upon the settlement of the Performance-Based Restricted Stock Unit and/or adjust the other terms and conditions of the Performance-Based Restricted Stock Unit as the Committee in its discretion determines to be equitable in order to prevent dilution or enlargement of the Grantee’s rights in respect of the Performance-Based Restricted Stock Unit as such existed before such event. Appropriate adjustments shall likewise be made by the Committee in other terms and conditions of the Performance-Based Restricted Stock Unit to reflect equitably such changes in circumstances, including modifications of performance targets and changes in the length of performance periods relating to the vesting of the Performance-Based Restricted Stock Unit or any restrictions on Performance Unit Shares. Notwithstanding the foregoing, no adjustment shall be made which is prohibited by Section 13 of the Plan.

(c) Modifications To Comply With Section 409A. To the extent applicable, this Agreement (including any related Notice of Performance-Based Restricted Stock Unit Award) shall be interpreted in accordance with Code Section 409A and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or guidance that may be issued after the date on which a Performance-Based Restricted Stock Unit was awarded. Without limiting the authority of the Committee under subsection 4(b) above to make modifications to the Performance-Based Restricted Stock Unit by reason of changes in law or circumstances that would result in any substantial dilution or enlargement of the rights granted to, or available for, Grantee in respect of a Performance-Based Restricted Stock Unit or otherwise as a participant in the Plan or which otherwise warrants equitable adjustment to the terms and conditions of the Performance-Based Restricted Stock Unit because such event interferes with the operation of the Plan, and notwithstanding any provision of this Agreement to the contrary, in the event that the Committee or an authorized officer of the Company determines that any amounts will be immediately taxable to the Participant under Section 409A of the Code and related Department of Treasury guidance (or subject the Grantee to a penalty tax) in connection with the grant or vesting of the Performance-Based Restricted Stock Unit or any other provision of the Performance-Based Restricted Stock Unit Award Notice or this Agreement or the Plan, the Company may (a) adopt such amendments to the Performance-Based Restricted Stock Unit, including amendments to this Agreement (having prospective or retroactive effect), that the Committee or authorized officer determines to be necessary or appropriate to preserve the intended tax treatment of the Performance-Based Restricted Stock Unit and/or (b) take such other actions as the Committee or authorized officer determines to be necessary or appropriate to comply with the requirements of Section 409A of the Code and related Department of Treasury guidance, including such Department of Treasury guidance and other interpretive materials as may be issued after the date on which such Performance-Based Restricted Stock Unit was awarded, but only to the extent permitted under Code Section 409A and regulations and guidance thereunder.
SECTION 5. MISCELLANEOUS PROVISIONS.

(a) **Rights as a Shareholder.** Neither the Grantee nor the Grantee's personal representative or permitted Transferee shall have any rights as a shareholder with respect to any Performance Unit Shares until the Grantee or his or her personal representative or permitted Transferee becomes entitled to receive such Performance Unit Shares pursuant to this Agreement, the Plan and the applicable Performance-Based Restricted Stock Unit Award Notice, and any such right shall also be subject to subsections 2(g) and 3(c) above.

(b) **Tenure.** Nothing in the Performance-Based Restricted Stock Unit Award Notice, this Agreement or in the Plan shall confer upon the Grantee any right to continue in the Company’s Service for any period of specific duration or interfere with or otherwise restrict in any way the rights of the Company (or any Related Employer) or of the Grantee, which rights are hereby expressly reserved by each, to terminate his or her Service at any time and for any reason, with or without cause.

(c) **Notification.** Any notification required by the terms of this Agreement shall be given in writing and shall be deemed effective upon personal delivery to the President, Treasurer, General Counsel, Secretary or any Assistant Secretary of the Company or five Business Days upon deposit with the United States Postal Service, by registered or certified mail, with postage and fees prepaid addressed to the Company. A notice shall be addressed to the Company at its principal executive office, marked to the attention of the Corporate Secretary, and to the Grantee at the address that he or she most recently provided to the Company.

(d) **Entire Agreement.** This Agreement, any related Performance-Based Restricted Stock Unit Award Notice, the Plan and the Employment Agreement constitute the entire contract between the parties hereto with regard to the subject matter hereof and supersede any other agreements, representations or understandings (whether oral or written and whether express or implied) which relate to the subject matter hereof.

(e) **Waiver.** No waiver of any breach or condition of this Agreement shall be deemed to be a waiver of any other or subsequent breach or condition whether of like or different nature.

(f) **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of, and be binding upon, the Company and its successors and assigns and upon the Grantee, the Grantee’s personal representatives, heirs, legatees and other permitted Transferees, assigns and the legal representatives, heirs and legatees of the Grantee’s estate, whether or not any such person shall have become a party to this Agreement and have agreed in writing to be joined herein and be bound by the terms hereof.

(g) **Choice of Law.** This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, as such laws are applied to contracts entered into and performed in such State.
SECTIONS 6. DEFINITIONS.

(a) "Code" shall mean the Internal Revenue Code of 1986, as amended and as the same may be amended from time to time, and the regulations promulgated thereunder.

(b) "Company" shall mean Magellan Health, Inc., a Delaware corporation, and any successor thereto.

(c) "Exchange Act" shall mean the Securities Exchange Act of 1934, as amended and as the same may be amended from time to time, and any successor statute, and the rules and regulations promulgated thereunder.

(d) "Securities Act" shall mean the Securities Act of 1933, as amended and as the same may be amended from time to time, and any successor statute, and the rules and regulations promulgated thereunder.

(e) "Share" shall mean a share of Ordinary Common Stock, $0.01 par value per share, of the Company, as the same may generally be exchanged for or changed into any other share of capital stock or other security of the Company or any other company in connection with a transaction referred to in Section 4 above (and in the event of any such successive exchange or change, any security resulting from any such successive exchange or change).

(f) "Transfer" shall mean, with respect to any Performance-Based Restricted Stock Unit or any Unit Share, any sale, assignment, transfer, alienation, conveyance, gift, bequest by will or under intestacy laws, pledge, lien encumbrance or other disposition, with or without consideration, of all or part of such Performance-Based Restricted Stock Unit or any Unit Share, or of any beneficial interest therein, now or hereafter owned by the Grantee, including by execution, attachments, levy or similar process.
In consideration of the foregoing and intending to be legally bound hereby, the Company and the Grantee named below have executed this Agreement as of the date first above written.

MAGELLAN HEALTH, INC.

Name: Kenneth J. Fasola
Title: Chief Executive Officer

GRANTEE:

Name: _____________________________________________

Date: _____________________________________________

Address for Notice:

__________________________________________________

__________________________________________________
Exhibit 10.4
Magellan Health, Inc.
2016 Management Incentive Plan
Notice of Terms of Performance-Based Restricted Stock Units
(Reference No. 2016-March 2020)

Name of Grantee: [NAME]
Date of Grant: March 4, 2020
Type of Award: Performance-Based Restricted Stock Units (“PSU”), each PSU representing the right to receive on the terms and conditions of the Performance-Based Restricted Stock Unit Agreement between you (as Grantee) and the Company referenced below and the terms and conditions of this Notice, a share of Ordinary Common Stock, par value $0.01 per share (“Share”), of Magellan Health, Inc. (the “Company”), subject to adjustment thereto as provided in this Notice.

Number of
Performance-Based
Restricted Stock
Units Awarded (“Target PSUs”): _______________________

Dividend Equivalent Rights: None.

The terms and conditions of the award are as follows:

   (a) General. Subject to your continued employment or other service with the Company or its subsidiaries through March 4, 2023 (the “Service Date”) (except as otherwise provided herein), the Award shall become vested based on the Company’s “Relative Total Shareholder Return” in terms of percentile ranking as compared to the Peer Group (as defined in Exhibit A) over the period beginning January 1, 2020 and ending December 31, 2022 (the “Measurement Period”) in accordance with the schedule below:

<table>
<thead>
<tr>
<th>Relative Total Shareholder Return Ranking over Measurement Period (“TSR Percentile”)</th>
<th>Payout % Level</th>
</tr>
</thead>
<tbody>
<tr>
<td>75th Percentile or Higher</td>
<td>200%</td>
</tr>
<tr>
<td>50th Percentile</td>
<td>100%</td>
</tr>
<tr>
<td>25th Percentile</td>
<td>50%</td>
</tr>
<tr>
<td>&lt;25th Percentile</td>
<td>0%</td>
</tr>
</tbody>
</table>

In the event of a payout percentage level above 100%, you will be awarded additional PSUs so that the total number of PSUs that vest as of the Vesting Date (excluding dividend equivalent PSUs if applicable) equals your Target PSUs multiplied by the payout percentage level. For each percent above the 50th TSR Percentile, the payout percentage will be increased four percent, up to but not exceeding the maximum payout percent level. In the event of a payout percentage level below 100%, your Target PSUs will be forfeited to the extent necessary to provide that the total number of PSUs that are settled as of the Settlement Date (excluding dividend equivalent PSUs if applicable)
equals your Target PSUs multiplied by the payout percentage level. For each percent below the 50th TSR Percentile down to the 25th percentile, the payout percentage will be decreased two percent.

(b) **Payout Limits.** In no event shall the number of PSUs vested as of the Vesting Date exceed 200% of the Target PSUs, and if the TSR Percentile achieved is less than the 25th percentile, all of your PSUs will be forfeited.

2. **Termination of Employment.** In the event your employment is terminated prior to vesting of the PSUs for any reason other than as provided in paragraph 3 with regard to certain terminations following a Change in Control of the Company, all PSUs granted hereunder shall immediately be forfeited by you and canceled, except as otherwise provided in the Company’s “Retirement Policy Applicable to Employee Long-Term Incentive Awards” or otherwise provided in any employment agreement between you and the Company in effect at the date of your termination.

3. **Change in Control.** This Award shall earlier vest immediately with respect to 100% of the Target PSUs in the event that, after the date hereof, a Change in Control of the Company shall have occurred and at the time of the change in Control or within the period of 18 months (or such other period as provided by your employment agreement, if any, in effect at the time of the Change in Control) following occurrence of the Change in Control, your service with the Company shall be terminated by the Company without Cause (as defined below) or by you with Good Reason (as defined below), provided that your service with the Company has not previously terminated after the date hereof for any other reason. For purposes of this Award, the terms “Change in Control,” “Cause” and “Good Reason” shall have the same meanings as provided in any employment agreement between the Company and you in effect at the termination date or the time of the Change in Control (including any terms of substantially comparable significance in any such employment agreement even if not of identical wording) or, if no such employment agreement is in effect at such time or no such meanings are provided in such employment agreement, shall have the meanings ascribed thereto below:

(1) A “Change in Control” of the Company shall mean the first to occur after the date hereof of any of the following events:

a. any “person,” as such term is used in Sections 3(a)(9) and 13(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), becomes a “beneficial owner,” as such term is used in Rule 13d-3 promulgated under the Exchange Act, of greater than 50% of the Voting Stock (as defined below) of the Company;

b. the majority of the Board of Directors of the Company consists of individuals other than “Continuing Directors,” which shall mean the members of the Board on the date hereof, provided that any person becoming a director subsequent to the date hereof whose election or nomination for election was supported by a vote of the directors who then comprised the Continuing Directors, shall be considered to be a Continuing Director;

c. the Board of Directors of the Company adopts and, if required by law or the certificate of incorporation of the Corporation, the shareholders approve the dissolution of the Company or a plan of liquidation or comparable plan providing for the disposition of all or substantially all of the Company’s assets;

d. at least 75% of the consolidated assets of the Company (measured using a quantitative analysis determined in good faith by the Board) are disposed of in a single transaction pursuant to a merger, consolidation, share exchange, reorganization or other transaction unless the shareholders of the Company immediately prior to such merger, consolidation, share exchange, reorganization or other transaction beneficially own, directly or indirectly, in substantially the same proportion as they previously owned
the Voting Stock or other ownership interests of the Company, 51% or more of the Voting Stock or other ownership interests of the entity or entities, if any, that succeed to the business of the Company; or

e. the Company merges or combines with another company and, immediately after the merger or combination, the shareholders of the Company immediately prior to the merger or combination own, directly or indirectly, 50% or less of the Voting Stock of the successor company, provided that in making such determination there shall being excluded from the number of shares of Voting Stock held by such shareholders, but not from the Voting Stock of the successor company, any shares owned by Affiliates of such other company who were not also Affiliates of the Company prior to such merger or combination.

(2) “Cause” shall mean:

a. Grantee is convicted of (or pleads guilty or nolo contendere to) a felony or a crime involving moral turpitude;

b. Grantee’s commission of an act of fraud or dishonesty involving his or her duties on behalf of the Company;

c. Grantee’s willful failure or refusal to faithfully and diligently perform duties lawfully assigned to Grantee as an officer or employee of the Company or other willful breach of any material term of any employment agreement at the time in effect between the Company and Grantee; or

d. Grantee’s willful failure or refusal to abide by the Company’s policies, rules, procedures or directives, including any material violation of the Company’s Code of Ethics.

(3) “Good Reason” shall mean:

a. a material reduction in Grantee’s salary in effect at the time of a Change in Control, unless such reduction is comparable in degree to the reduction that takes place for all other employees of the Company of comparable rank (for which purpose any person who is an executive officer of the Company (as determined for purposes of the Exchange Act shall be considered of comparable rank) or a material reduction in Grantee’s target bonus opportunity for the year in which or any year after the year in which the Change of Control occurs (if any) as established under any employment agreement Grantee has with the Company or any bonus plan of the Company applicable to Grantee (or, if no such target bonus opportunity has yet been established for Grantee under a bonus plan applicable to Grantee for the year in which the Change of Control has occurred, the target bonus opportunity so established for Grantee for the immediately preceding year (if any)). For purposes of this provision, an action or actions of the Company will be deemed “material” if, individually or in the aggregate, the action or actions result(s) or potentially result(s) in a reduction in compensation in the current year or a future year having a present value to Grantee of at least one and one half percent (1.5%) of Grantee’s then current base salary, provided that Grantee will have a legal right to claim damages for a breach of contract for any action by the Company or event having an effect described under those paragraphs that does not meet this objective materiality test, and actions may be material in a given case at levels less than the specified level.

b. a material diminution in Grantee’s position, duties or responsibilities as in effect at the time of a Change in Control or the assignment to Grantee of duties which are materially inconsistent with such position, duties and authority, unless in either case such change is made with the consent of the Grantee; or
c. the relocation by more than 50 miles of the offices of the Company which constitute at the time of the Change in Control Grantee’s principal location for the performance of his or her services to the Company;

provided that, in each such case, Grantee provides notice to the Company within 90 days that such event or condition constituting Good Reason has arisen, and such event or condition continues uncured for a period of more than 30 days after Grantee gives notice thereof to the Company, and Grantee terminates Service within eighteen months after such event or condition has arisen.

For purposes of the foregoing definitions, (A) “the Company” shall include any entity that succeeds to all or substantially all of the business of the Company, (B) “Affiliate” of a person or other entity shall mean a person or other entity that directly or indirectly controls, is controlled by, or is under common control with the person or other entity specified, and (C) “Voting Stock” shall mean any capital stock of any class or classes having general voting power under ordinary circumstances, in the absence of contingencies, to elect the directors of a corporation and reference to a percentage of Voting Stock shall refer to such percentage of the votes that all such Voting Stock is entitled to cast.

4. Leave of Absence. Unless otherwise required by law, in the event you have an authorized leave of absence at any time prior to the Service Date which absence extends beyond three full calendar months (including any absence that began before the Grant Date), your PSU payout will be prorated based on the number of full and partial months spent on the active payroll (beginning with the first full calendar month after the Grant Date). Payout for the award will be made at the same time as payment would have been made without regard to any leave of absence and will in all respects be subject to the Company’s actual Relative Total Shareholder Return achievement for the full Measurement Period.

5. Settlement of Award. Shares in settlement of vested PSUs under this Award (or, at the Company’s election, cash in lieu thereof) shall be delivered to you on the Vesting Date (the “Settlement Date”) as further provided in your Performance Based Restricted Stock Unit Agreement with the Company. Settlement and your retention of cash or Shares issued in settlement or the proceeds of a sale of Shares or other benefits resulting from this Award, are subject to the terms of the provisions of the Performance Based Restricted Stock Unit Agreement (without regard to any previous vesting of this Award).

6. Transfer Restrictions. Shares issued in settlement of this Award shall not be subject to any additional transfer restrictions, other than those provided by your Performance Based Restricted Stock Unit Agreement.
By signing your name below, you acknowledge and agree that this Award is governed by the terms and conditions of the Magellan Health, Inc. 2016 Management Incentive Plan (the “Plan”), or a predecessor plan, and the Performance Based Restricted Stock Unit Agreement, reference number 2016 March 4, 2020 (the “Agreement”), both of which are hereby made a part of this document. Capitalized terms used but not defined in this Notice of Performance Based Restricted Stock Units shall have the meaning assigned to them in the Plan and Agreement.

MAGELLAN HEALTH, INC.

Name: Kenneth J. Fasola  
Title: Chief Executive Officer

GRANTEE:

Name: [NAME]  
Date: ________________________________
“Relative Total Shareholder Return” means the Company’s Total Shareholder Return (“TSR”) relative to the TSR of the Peer Companies. Relative TSR will be determined by ranking the Company and the Peer Companies from highest to lowest according to their respective TSRs. After this ranking, the percentile performance of the Company relative to the Peer Companies will be determined as follows:

where: “P” represents the percentile performance which will be rounded, if necessary, to the nearest whole percentile by application of regular rounding.

“N” represents the remaining number of Peer Companies, plus the Company.

“R” represents the Company’s ranking among the Peer Companies.

Example: If there are 24 Peer Companies, and the Company ranked 7th, the performance would be at the 75th percentile:

\[ 1 - \frac{(7-1)}{(25-1)} \]

Relative TSR shall be determined by the Compensation Committee of the Board of Directors of the Company based on the terms set forth in this Exhibit A and in the Compensation Committee’s sole and absolute discretion.

“TSR” means, for each of the Company and the Peer Companies, the company’s total shareholder return, expressed as a percentage, which will be calculated by dividing (i) the Closing Average Share Value by (ii) the Opening Average Share Value and subtracting one from the quotient.

“Opening Average Share Value” means the average, over the trading days in the Opening Average Period, of the closing price of a company’s stock multiplied by the Accumulated Shares for each trading day during the Opening Average Period.

“Opening Average Period” means the 30 trading days beginning as of January 1, 2020.

“Accumulated Shares” means, for a given trading day, the sum of (i) one (1) share and (ii) a cumulative number of shares of the company’s common stock purchased with dividends declared on a company’s common stock, assuming same day reinvestment of the dividends in the common stock of a company at the closing price on the ex-dividend date, for ex-dividend dates during the Opening Average Period or between the Grant Date and the December 31, 2022, as applicable.

“Closing Average Share Value” means the average, over the trading days in the Closing Average Period, of the closing price of the company’s stock multiplied by the Accumulated Shares for each trading day during the Closing Average Period.

“Closing Average Period” means the 30 trading days immediately preceding January 1, 2023.
“Peer Companies” means the S&P Health Care Services Industry Index as of March 4, 2020 which currently includes the following companies:

- Acadia Healthcare Co Inc
- Addus HomeCare Corp.
- Amerisys Inc
- AmerisourceBergen Corp
- AMN Healthcare Services Inc
- Anthem, Inc.
- BioTelemetry Inc
- Brookdale Senior Living Inc
- Cardinal Health Inc
- Centene Corp
- Chemed Corp
- CIGNA Corp
- CorVel Corp
- Covetrus, Inc.
- CVS Health Corp
- DaVita Inc.
- Encompass Health Corp
- The Ensign Group, Inc.
- Guardant Health, Inc.
- Hanger, Inc.
- HCA Healthcare Inc
- HealthEquity Inc
- Henry Schein Inc
- Humana Inc
- Laboratory Corp of America
- LHC Group Inc
- Magellan Health Inc
- McKesson Corp
- MEDNAX Inc
- Molina Healthcare Inc
- National HealthCare Corp
- Option Care Health, Inc.
- Owens & Minor Inc
- Patterson Cos Inc
- The Pennant Group, Inc.
- PetIQ, Inc.
- Premier Inc
- The Providence Service Corp.
- Quest Diagnostics Inc
- R1 RCM, Inc.
- RadNet, Inc.
- Select Medical Holdings Inc
- Tenet Healthcare Corp
- Tivity Health, Inc.
- Triple-S Management Corp
- UnitedHealth Group Inc
- Universal Health Services Inc
- US Physical Therapy Inc

The Peer Companies may be changed as follows:

(i) In the event of a merger, acquisition or business combination transaction of a Peer Company with or by another Peer Company, the surviving entity shall remain a Peer Company.

(ii) In the event of a merger of a Peer Company with an entity that is not a Peer Company, or the acquisition or business combination transaction by or with a Peer Company, or with an entity that is not a Peer Company, in each case where the Peer Company is the surviving entity and remains publicly traded, the surviving entity shall remain a Peer Company.

(iii) In the event of a merger or acquisition or business combination transaction of a Peer Company by or with an entity that is not a Peer Company, a “going private” transaction involving a Peer Company or the liquidation of a Peer Company, where the Peer Company is not the surviving entity or is otherwise no longer publicly traded, the company shall no longer be a Peer Company.

(iv) In the event of a bankruptcy of a Peer Company, such company shall remain a Peer Company.

(v) In the event of a stock distribution from a Peer Company consisting of the shares of a new publicly-traded company (a “spin-off”), the Peer Company shall remain a Peer Company and the stock distribution shall be treated as a dividend from the Peer Company based on the closing price of the shares of the spun-off company on its first day of trading. The performance of the shares of the spun-off company shall not thereafter be tracked for purposes of calculating TSR.

(vi) For purposes of calculating TSR, the value of any Peer Company shares traded on a foreign exchange will be converted to U.S. dollars.