

HealthMarkets, Inc.  
Form SC 13D  
April 17, 2006

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

**SCHEDULE 13D**

**Under the Securities Exchange Act of 1934**  
**(Amendment No. \_\_)**

HealthMarkets, Inc.

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**(Name of Issuer)**

Class A-1 Common Stock, par value \$0.01 per share

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**(Title of Class of Securities)**

902737105

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**(CUSIP Number)**

Ben I. Adler, Esq.

Goldman, Sachs & Co.

One New York Plaza

New York, New York 10004

Edgar Filing: HealthMarkets, Inc. - Form SC 13D

Telephone: (212) 902-1000

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**(Name, Address and Telephone Number of Persons Authorized to Receive Notices and Communications)**

April 5, 2006

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**(Date of Event which Requires Filing of this Statement)**

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Rule 13d-1(e), 13d-1(f) or 13d-1(g), check the following box. "

(Continued on following pages)

1. Names of Reporting Persons:

THE GOLDMAN SACHS GROUP, INC.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

AF

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially  
Owned by 6,756,756.7567 Shares

9. Sole Dispositive Power:

Reporting  
Person 0 Shares

10. Shared Dispositive Power:

With 6,756,756.7567 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

6,756,756.7567

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

25.2%

14. Type of Reporting Person:

HC-CO

1. Names of Reporting Persons:

GOLDMAN, SACHS & CO.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

AF

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e)

x

6. Citizenship or Place of Organization:

NEW YORK

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially

Owned by 6,756,756.7567 Shares

Each

9. Sole Dispositive Power:

Reporting 0 Shares

Person

10. Shared Dispositive Power:

With

6,756,756.7567 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

6,756,756.7567

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares

..

13. Percent of Class Represented by Amount in Row (11)

25.2%

14. Type of Reporting Person:

BD-PN-IA

1. Names of Reporting Persons:

GSCP V ADVISORS, L.L.C.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

AF

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially  
Owned by 3,557,837.8378 Shares

9. Sole Dispositive Power:

Reporting  
Person 0 Shares

10. Shared Dispositive Power:

With 3,557,837.8378 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

3,557,837.8378

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

13.3%

14. Type of Reporting Person:

OO

1. Names of Reporting Persons:

GSCP V OFFSHORE ADVISORS, L.L.C.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

AF

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially

Owned by 1,837,831.0811 Shares

Each 9. Sole Dispositive Power:

Reporting 0 Shares

Person 10. Shared Dispositive Power:

With 1,837,831.0811 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,837,831.0811

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

6.9%

14. Type of Reporting Person:

OO

1. Names of Reporting Persons:

GS ADVISORS V, L.L.C.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

AF

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially

Owned by 1,361,087.8378 Shares

Each 9. Sole Dispositive Power:

Reporting 0 Shares

Person 10. Shared Dispositive Power:

With 1,361,087.8378 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,361,087.8378

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

5.1%

14. Type of Reporting Person:

OO

1. Names of Reporting Persons:

GOLDMAN, SACHS MANAGEMENT GP GMBH

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

AF

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

GERMANY

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially  
Owned by 141,054.0540 Shares  
Each

9. Sole Dispositive Power:

Reporting  
Person 0 Shares

10. Shared Dispositive Power:

With 141,054.0540 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

141,054.0540

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

0.5%

14. Type of Reporting Person:

CO



1. Names of Reporting Persons:

GS CAPITAL PARTNERS V FUND, L.P.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

WC

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of  
Shares

0 Shares

8. Shared Voting Power:

Beneficially

Owned by  
Each

3,557,837.8378 Shares

9. Sole Dispositive Power:

Reporting  
Person  
With

0 Shares

10. Shared Dispositive Power:

3,557,837.8378 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

3,557,837.8378

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

13.3%

14. Type of Reporting Person:

PN

1. Names of Reporting Persons:

GS CAPITAL PARTNERS V OFFSHORE FUND, L.P.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

WC

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

CAYMAN ISLANDS

7. Sole Voting Power:

Number of  
Shares

0 Shares

8. Shared Voting Power:

Beneficially

Owned by  
Each

1,837,831.0811 Shares

9. Sole Dispositive Power:

Reporting  
Person  
With

0 Shares

10. Shared Dispositive Power:

1,837,831.0811 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,837,831.0811

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

6.9%

14. Type of Reporting Person:

PN

1. Names of Reporting Persons:

GS CAPITAL PARTNERS V GMBH & CO. KG

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

WC

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

GERMANY

7. Sole Voting Power:

Number of  
Shares

0 Shares

8. Shared Voting Power:

Beneficially

Owned by  
Each

141,054.0540 Shares

9. Sole Dispositive Power:

Reporting  
Person  
With

0 Shares

10. Shared Dispositive Power:

141,054.0540 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

141,054.0540

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

0.5%

14. Type of Reporting Person:

PN

1. Names of Reporting Persons:

GS CAPITAL PARTNERS V INSTITUTIONAL, L.P.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

WC

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially

Owned by 1,220,033.7838 Shares

Each 9. Sole Dispositive Power:

Reporting 0 Shares

Person 10. Shared Dispositive Power:

With 1,220,033.7838 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,220,033.7838

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

4.6%

14. Type of Reporting Person:

PN

1. Names of Reporting Persons:

GS MAVERICK CO.

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

OO

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially

Owned by 6,756,756.7567 Shares

Each 9. Sole Dispositive Power:

Reporting 0 Shares

Person 10. Shared Dispositive Power:

With 6,756,756.7567 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

6,756,756.7567

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

25.2%

14. Type of Reporting Person:

CO

1. Names of Reporting Persons:

ADRIAN M. JONES

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

OO

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

IRELAND

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially  
Owned by 6,756,756.7567 Shares

9. Sole Dispositive Power:

Each Reporting  
Person 0 Shares

10. Shared Dispositive Power:

6,756,756.7567 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

6,756,756.7567

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

25.2%

14. Type of Reporting Person:

IN

1. Names of Reporting Persons:

NATHANIEL ZILKHA

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

OO

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

UNITED STATES

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially  
Owned by 6,756,756.7567 Shares

9. Sole Dispositive Power:

Each Reporting  
Person 0 Shares

10. Shared Dispositive Power:

With 6,756,756.7567 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

6,756,756.7567

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

25.2%

14. Type of Reporting Person:

IN

1. Names of Reporting Persons:

MULBERRY HOLDINGS I, LLC

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

WC

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of  
Shares 0 Shares

8. Shared Voting Power:

Beneficially  
Owned by 5,536,722.9729 Shares

9. Sole Dispositive Power:

Each Reporting  
Person 0 Shares

10. Shared Dispositive Power:

5,536,722.9729 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

5,536,722.9729

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

20.7%

14. Type of Reporting Person:

OO



1. Names of Reporting Persons:

MULBERRY HOLDINGS II, LLC

2. Check the Appropriate Box if a Member of a Group

(a) ..

(b) ..

3. SEC USE Only

4. Source of Funds:

WC

5. Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e) ..

6. Citizenship or Place of Organization:

DELAWARE

7. Sole Voting Power:

Number of Shares 0 Shares

8. Shared Voting Power:

Beneficially

Owned by 1,220,033.7838 Shares

Each 9. Sole Dispositive Power:

Reporting Person 0 Shares

With 10. Shared Dispositive Power:

1,220,033.7838 Shares

11. Aggregate Amount Beneficially Owned by Each Reporting Person

1,220,033.7838

12. Check if the Aggregate Amount in Row (11) Excludes Certain Shares ..

13. Percent of Class Represented by Amount in Row (11)

4.6%

14. Type of Reporting Person:

OO

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**Item 1. Security and Issuer**

This statement on Schedule 13D (this Schedule 13D) relates to the Class A-1 Common Stock, par value \$.01 per share (the Class A-1 Common Stock), of HealthMarkets, Inc., a Delaware corporation (formerly known as UICI) (the Company). The principal executive offices of the Company are at 9151 Grapevine Highway, North Richland Hills, Texas 76180.

**Item 2. Identity and Background**

This statement is being filed by The Goldman Sachs Group, Inc. (GS Group), Goldman, Sachs & Co. (Goldman Sachs), GSCP V Advisors, L.L.C. (GSCP Advisors), GSCP V Offshore Advisors, L.L.C. (GSCP Offshore Advisors), GS Advisors V, L.L.C. (GS Advisors), Goldman, Sachs Management GP GmbH (GS GmbH), GS Capital Partners V Fund, L.P. (GS Capital), GS Capital Partners V Offshore Fund, L.P. (GS Offshore), GS Capital Partners V GmbH & CO. KG (GS Germany), GS Capital Partners V Institutional, L.P. (GS Institutional) and, together with GS Capital, GS Offshore and GS Germany, the Funds), GS Maverick Co. (GS Maverick), Mr. Adrian M. Jones (Mr. Jones), Mr. Nathaniel Zilkha (Mr. Zilkha), Mulberry Holdings I, LLC (Mulberry I), and Mulberry Holdings II, LLC (Mulberry II) and, together with Mulberry I, the Mulberry Entities) (GS Group, Goldman Sachs, GSCP Advisors, GSCP Offshore Advisors, GS Advisors, GS GmbH, the Funds, GS Maverick, Mr. Jones, Mr. Zilkha and the Mulberry Entities, collectively, the Filing Persons<sup>1</sup>).

Each Mulberry Entity was formed as a Delaware limited liability company for the purpose of acquiring shares of Class A-1 Common Stock in the transactions described in Items 3 through 6 of this Schedule 13D. GS Group is a Delaware corporation and holding company that (directly and indirectly through subsidiaries or affiliated companies or both) is a leading investment banking organization. Goldman Sachs, a New York limited partnership, is an investment banking firm and a member of the New York Stock Exchange and other national exchanges. Goldman Sachs also serves as the manager for GSCP Advisors, GSCP Offshore Advisors and GS Advisors and the investment manager for GS Capital, GS Offshore, GS Germany and GS Institutional. Goldman Sachs is wholly owned, directly and indirectly, by GS Group. GSCP Advisors, a Delaware limited liability company, is the sole general partner of GS Capital. GSCP Offshore Advisors, a Delaware limited liability company, is the sole general partner of GS Offshore. GS Advisors, a Delaware limited liability company, is the sole managing limited partner of GS Germany and the sole general partner of GS Institutional. GS GmbH, a German company with limited liability, is the general partner of GS Germany. Each of GS Capital, a Delaware limited partnership, GS Offshore, a Cayman Islands exempted limited partnership, GS Germany, a German limited partnership, and GS Institutional, a Delaware limited partnership, was formed for the purpose of investing in equity, equity-related and similar securities or instruments, including debt or other securities or instruments with equity-like returns or an equity component. GS Capital, GS Offshore and GS Germany are the non-managing members of Mulberry I. GS Institutional is the sole non-managing member of Mulberry II. GS Maverick, a Delaware corporation, was formed for the purpose of acting as the sole managing member of each Mulberry Entity. Mr. Jones, a managing director of Goldman Sachs and a citizen of Ireland, and Mr. Zilkha, a vice president of Goldman Sachs and a citizen of the United States, are the sole owners, directors and officers of GS Maverick. The principal address of each Filing Person is 85 Broad Street, New York, NY 10004.

The name, business address, present principal occupation or employment and citizenship of each director of GS Group are set forth in Schedule I hereto and are incorporated herein by reference. The name, business address, present principal occupation or employment and citizenship of each executive officer of GSCP Advisors are set forth in Schedule II-A hereto and are incorporated herein by reference. The name, business address, present principal occupation or employment and citizenship of each executive officer of GSCP Offshore Advisors are set forth in Schedule II-B hereto and are incorporated herein by reference. The name, business address, present principal occupation or employment and citizenship of each executive officer of GS Advisors are set forth in Schedule II-C hereto and are incorporated herein by reference. The name, business address, present principal occupation or employment and citizenship of each executive officer of GS GmbH are set forth in Schedule II-D hereto and are incorporated herein by reference. The name, business address, present principal occupation or employment and citizenship of each member of the Principal Investment Area Investment Committee of Goldman Sachs, which is responsible for making all investment decisions for each of GSCP Advisors, GSCP Offshore Advisors and GS Advisors on behalf of Goldman Sachs, are set forth in Schedule II-E hereto and are incorporated herein by reference.

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<sup>1</sup> Neither the present filing nor anything contained herein shall be construed as an admission that any Filing Person constitutes a person for any purpose other than for compliance with Section 13(d) of the Securities Exchange Act of 1934, as amended.

During the last five years, none of the Filing Persons, nor, to the knowledge of each of the Filing Persons, any of the persons listed on Schedules I, II-A, II-B, II-C, II-D or II-E hereto, (i) has been convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) except as set forth on Schedule III hereto, has been a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree, or final order enjoining future violations of, or prohibiting or mandating activities subject to federal or state securities laws or finding any violation with respect to such laws.

The Filing Persons have entered into a Joint Filing Agreement, dated as of April 17, 2006, a copy of which is attached hereto as Exhibit 1.

### **Item 3. Source and Amount of Funds or Other Consideration**

As described more fully in Item 6 of this Schedule 13D, on April 5, 2006 (the Closing Date), the Mulberry Entities acquired an aggregate of 6,756,756.7567 shares of Class A-1 Common Stock pursuant to the Agreement and Plan of Merger, dated as of September 15, 2005 (the Merger Agreement), by and among Premium Finance LLC, a Delaware limited liability company, Mulberry Finance Co., Inc., a Delaware corporation, DLJMB IV First Merger LLC, a Delaware limited liability company, Premium Acquisition, Inc., a Delaware corporation, Mulberry Acquisition, Inc., a Delaware corporation, DLJMB IV First Merger Co Acquisition Inc., a Delaware corporation, and the Company. In connection with the Merger (as defined in Item 6 below), the Mulberry Entities paid \$250,000,000 as part of the aggregate merger consideration paid in the transaction. Mulberry I funded \$204,858,750, which was contributed to it by GS Capital, GS Offshore and GS Germany, the non-managing members of Mulberry I. Mulberry II funded \$45,141,250, which was contributed to it by GS Institutional, the sole non-managing member of Mulberry II. The Funds funded such capital contributions from capital contributions by their respective investors.

None of the individuals listed on Schedules I, II-A, II-B, II-C, II-D or II-E hereto has contributed any funds or other consideration towards the purchase of the securities of the Company, except to the extent that they may have partnership interests in any of the Filing Persons in respect of which they have made capital contributions.

### **Item 4. Purpose of Transactions**

The responses set forth in Items 3 and 6 of this Schedule 13D are incorporated by reference into this Item 4 in their entirety. The Filing Persons acquired the shares of Class A-1 Common Stock primarily for investment purposes.

Except as described in this Schedule 13D, the Filing Persons currently have no plans or proposals which relate to or would result in any transaction, event or action enumerated in paragraphs (a) through (j) of Item 4 of the form of Schedule 13D promulgated under the Securities Exchange Act of 1934, as amended (together with the rules and regulations promulgated thereunder, the Exchange Act).

Each of the Filing Persons reserves the right, in light of its ongoing evaluation of the Company's financial condition, business, operations and prospects, conditions in the securities markets generally, general economic and industry conditions, its business objectives and other relevant factors, to change its plans and intentions at any time, as it deems appropriate. In particular, any one or more of the Filing Persons (and their respective affiliates) reserves the right, in each case subject to (a) the restrictions contained in the Stockholders Agreement described in Item 6 of this Schedule 13D, and (b) any applicable limitations imposed on the sale of any of their Company securities by the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the Securities Act) or other applicable law, to (i) purchase additional shares of Class A-1 Common Stock or other securities of the Company, (ii) sell or transfer shares of Class A-1 Common Stock beneficially owned by them from time to time in public or private transactions, and (iii) cause any of the Mulberry Entities to distribute in kind to their respective members and cause any of the Funds to distribute in kind to their respective investors, as the case may be, shares of Class A-1 Common Stock or other securities owned by such Mulberry Entities. To the knowledge of each Filing Person, each of the persons listed on Schedules I, II-A, II-B, II-C, II-D and II-E hereto may make similar evaluations from time to time or on an ongoing basis. In addition, the Filing Persons or their designees to the Company board of directors may, if circumstances warrant, encourage, cause or seek to cause the Company or its subsidiaries to consider or explore: (i) extraordinary corporate transactions, such as a merger, (ii) sales or acquisitions of assets or businesses, (iii) changes to the capitalization or dividend policy of the Company, and (iv) other material changes to the Company's business or corporate structure. In addition, the Filing Persons are aware that the Company may add additional directors to Company's board of directors during 2006.

**Item 5. Interest in Securities of the Issuer**

(a) The Secretary of the Company has informed the Filing Persons that, as of the Closing Date after giving effect to the transactions contemplated by the Merger Agreement, there were 26,790,979.2016 shares of Class A-1 Common Stock issued and outstanding.

As of the Closing Date, GS Group may be deemed to beneficially own an aggregate of 6,756,756.7567 shares of Class A-1 Common Stock that are beneficially owned by the Mulberry Entities, as described below. The shares of Class A-1 Common Stock that may be deemed to be beneficially owned by GS Group represent approximately 25.2% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, Goldman Sachs may be deemed to beneficially own an aggregate of 6,756,756.7567 shares of Class A-1 Common Stock that are beneficially owned by the Mulberry Entities, as described below. The shares of Class A-1 Common Stock that may be deemed to be beneficially owned by Goldman Sachs represent approximately 25.2% of the outstanding shares of Class A-1 Common Stock.

GS Group and Goldman Sachs each disclaims beneficial ownership of the shares of Class A-1 Common Stock beneficially owned by the Mulberry Entities and which may be deemed to be beneficially owned by the Funds to the extent that partnership or equity interests, as the case may be, in the Funds are held by persons other than Goldman Sachs or its affiliates.

In accordance with Securities and Exchange Commission Release No. 34-39538 (January 12, 1998), this filing reflects the securities beneficially owned by the investment banking division ( IBD ) of GS Group and its subsidiaries and affiliates (collectively, the Goldman Sachs Group ). This filing does not reflect securities, if any, beneficially owned by any other operating unit of Goldman Sachs Group. IBD disclaims beneficial ownership of the securities beneficially owned by (i) any client accounts with respect to which IBD or its employees have voting or investment discretion, or both, and (ii) certain investment entities, of which IBD is the general partner, managing general partner of other manager, to the extent interests in such entities are held by persons other than IBD.

As of the Closing Date, GSCP Advisors may be deemed to beneficially own the 3,557,837.8378 shares of Class A-1 Common Stock that may be deemed to be beneficially owned by GS Capital, representing approximately 13.3% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, GSCP Offshore Advisors may be deemed to beneficially own the 1,837,831.0811 shares of Class A-1 Common Stock that may be deemed to be beneficially owned by GS Offshore, representing approximately 6.9% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, GS Advisors may be deemed to beneficially own the aggregate of 1,361,087.8378 shares of Class A-1 Common Stock that may be deemed to be beneficially owned by GS Germany and GS Institutional, representing approximately 5.1% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, GS GmbH may be deemed to beneficially own 141,054.0540 of the shares of Class A-1 Common Stock that may be deemed to be beneficially owned by GS Germany, representing approximately 0.5% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, GS Capital may be deemed to beneficially own 3,557,837.8378 of the shares of Class A-1 Common Stock that are beneficially owned by Mulberry I, representing approximately 13.3% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, GS Offshore may be deemed to beneficially own 1,837,831.0811 of the shares of Class A-1 Common Stock that are beneficially owned by Mulberry I, representing approximately 6.9% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, GS Germany may be deemed to beneficially own 141,054.0540 of the shares of Class A-1 Common Stock that are beneficially owned by Mulberry I, representing approximately 0.5% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, GS Institutional may be deemed to beneficially own the 1,220,033.7838 shares of Class A-1 Common Stock that are beneficially owned by Mulberry II, representing approximately 4.6% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, GS Maverick may be deemed to beneficially own the aggregate of 6,756,756.7567 shares of Class A-1 Common Stock that are beneficially owned by the Mulberry Entities, representing approximately 25.2% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, Mr. Jones may be deemed to beneficially own the aggregate of 6,756,756.7567 shares of Class A-1 Common Stock that are beneficially owned by the Mulberry Entities, representing approximately 25.2% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, Mr. Zilkha may be deemed to beneficially own the aggregate of 6,756,756.7567 shares of Class A-1 Common Stock that are beneficially owned by the Mulberry Entities, representing approximately 25.2% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, Mulberry I beneficially owns 5,536,722.9729 shares of Class A-1 Common Stock, representing approximately 20.7% of the outstanding shares of Class A-1 Common Stock.

As of the Closing Date, Mulberry II beneficially owns 1,220,033.7838 shares of Class A-1 Common Stock, representing approximately 4.6% of the outstanding shares of Class A-1 Common Stock.

None of the Filing Persons or, to the knowledge of the Filing Persons, the persons listed on Schedules I, II-A, II-B, II-C, II-D or II-E hereto beneficially owns any shares of Class A-1 Common Stock other than as set forth herein.

(b) Each Filing Person shares the power to vote or direct the vote and to dispose or to direct the disposition of shares of Class A-1 Common Stock beneficially owned by such Filing Person as indicated above.

(c) Except as described above, no transactions in the shares of Class A-1 Common Stock were effected by the Filing Persons, or, to their knowledge, any of the persons listed on Schedules I, II-A, II-B, II-C, II-D or II-E hereto, during the sixty days from February 4, 2006 through April 5, 2006.

(d) No other person is known by any Filing Person to have the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, any shares of Class A-1 Common Stock that will be beneficially owned by any Filing Person after the Merger.

(e) Not applicable.

**Item 6. Contracts, Arrangements, Understandings or Relationships with Respect to Securities of the Issuer**

The responses set forth in Items 3 and 4 of this Schedule 13D are incorporated herein by reference in their entirety.

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**The Merger**

Pursuant to the Merger Agreement, on April 5, 2006, each of Premium Acquisition, Inc. ( Merger Co 1 ), Mulberry Acquisition, Inc. ( Merger Co 2 ) and DLJMB IV First Merger Co Acquisition Inc. ( Merger Co 3 ), and each of Merger Co 1, Merger Co 2 and Merger Co 3, a Merger Co ) merged with and into the Company, with the Company being the surviving corporation (the Merger ). Upon consummation of the Merger, (i) each share of common stock of the Company, par value \$0.01 per share (except for dissenting shares, shares held by certain senior managers of the Company and shares held in the Company s agent stock accumulation plans), was converted into the right to receive \$37.00 in cash; (ii) each share of common stock of the Company held by certain senior managers of the Company was renamed Class A-1 Common Stock; (iii) each share of common stock of the Company beneficially owned through the Company s agent stock accumulation plans by the Company s independent insurance agents was converted into one share of Class A-2 Common Stock, par value \$.01 per share, of the Company; and (iv) each share of common stock of each Merger Co was converted into one share of Class A-1 Common Stock of the Company. The Mulberry Entities held 6,756,756.7567 shares of common stock of Merger Co 2, which were converted into 6,756,756.7567 shares of Class A-1 Common Stock in the Merger. In connection with the Merger, the Company transferred substantially all of its assets and liabilities to HealthMarkets, LLC ( HealthMarkets ), a Delaware limited liability company and wholly-owned subsidiary of the Company.

The aggregate amount of cash consideration paid to former stockholders of the Company in the Merger was \$1,611,618,324. This cash consideration was funded by (i) equity contributions of \$610,000,000 by certain affiliates of The Blackstone Group, \$250,000,000 by the Mulberry Entities, and \$125,000,000 by certain affiliates of DLJ Merchant Banking Partners; (ii) borrowings of \$500,000,000 under a senior credit facility of HealthMarkets, LLC; (iii) the issuance by HealthMarkets, LLC of \$103,100,000 aggregate principal amount of junior subordinated notes to HealthMarkets Capital Trust I and HealthMarkets Capital Trust II, which issued to several third party investors preferred stock having an aggregate liquidation value of \$100,000,000; and (iv) available cash of the Company. As a result of the Merger, (i) Blackstone Capital Partners IV L.P., Blackstone Capital Partners IV-A L.P., Blackstone Family Investment Partnership IV-A L.P. and Blackstone Participation Partnership IV, L.P. (collectively, the Blackstone Investors ) acquired an aggregate of 16,486,486.4865 shares of Class A-1 Common Stock, representing approximately 61.5% of the total outstanding shares of Class A-1 Common Stock, (ii) the Mulberry Entities acquired 6,756,756.7567 shares of Class A-1 Common Stock, representing approximately 25.2% of the total outstanding shares of Class A-1 Common Stock, and (iii) DLJ Merchant Banking Partners IV, L.P., DLJ Offshore Partners IV, L.P., MBP IV Plan Investors, L.P., CSFB Strategic Partners Holdings III, L.P. and CSFB Strategic Partners Parallel Holdings III, L.P. (collectively, the DLJ Investors ) acquired an aggregate of 3,378,378.3784 shares of Class A-1 Common Stock, representing approximately 12.6% of the total outstanding shares of Class A-1 Common Stock.

The foregoing description of the Merger Agreement is qualified in its entirety by reference to the Merger Agreement, which is filed as Exhibit 2 hereto and is incorporated by reference in its entirety into this Item 6.

In connection with the Merger, the Company amended and restated its certificate of incorporation and bylaws, which are filed as Exhibits 3 and 4 hereto and are incorporated by reference in their entirety into this Item 6. On April 17, 2006, the Company amended its certificate of incorporation to change its name from UICI to HealthMarkets, Inc. The certificate of amendment is filed as Exhibit 5 hereto. The Company has applied to delist its Class A-1 Common Stock from the New York Stock Exchange.

**Stockholders Agreement**

In connection with the Merger, the Mulberry Entities entered into a Stockholders Agreement, dated as of April 5, 2006 (the Stockholders Agreement ) with the Company, the Blackstone Investors, the DLJ Investors, and the management stockholders named therein (the Management Stockholders ).

***Composition of the Board of Directors***

The Stockholders Agreement provides that following the Merger, the initial board of directors of the Company will consist of:

up to up to 6 directors nominated or designated by the Blackstone Investors and any permitted transferee thereof (collectively, the Blackstone Investor Group );

up to 2 directors nominated or designated by the Mulberry Entities and any permitted transferee thereof (collectively, the GS Investor Group );

up to one director nominated or designated by the DLJ Investors and any permitted transferee thereof (collectively, the DLJ Investor Group and each of the Blackstone Investor Group, GS Investor Group and DLJ Investor Group, an Investor Group );

one member of management of the Company to be nominated by Investor Groups holding a majority of the Class A-1 Common Stock held by the Investor Groups ( Management Director ); and

additional directors, including directors who may be considered independent under various definitions of the Securities and Exchange Commission and stock exchanges to the extent deemed necessary or advisable ( Additional Director ).

Pursuant to the Stockholders Agreement, the Blackstone Investors designated Messrs. Chinh E. Chu and Matthew S. Kabaker, the Mulberry Entities designated Mr. Jones and Mr. Zilka, and the DLJ Investors designated Mr. Kamil M. Salame, as members of the board of directors of the Company. In addition, Mr. William J. Gedwed, President and Chief Executive Officer of the Company, and Mr. Mural R. Josephson have been appointed to the board of directors of the Company as Management Director and Additional Director, respectively.

The allocation of board representation to the Investor Groups will be reduced as the ownership interest of Class A-1 Common Stock of such Investor Group is reduced. The Blackstone Investor Group will have the ability to designate a majority of the directors for so long as it holds a majority of the shares of Class A-1 Common Stock issued to the Investor Groups in the Merger. Each Investor Group will lose its right to designate directors entirely when its ownership of shares of Class A-1 Common Stock is less than the greater of (i) five percent of the shares of Class A-1 Common Stock issued to the Investor Groups in the Merger and (ii) three percent of the then-outstanding shares of Class A-1 Common Stock. Generally, each director will have one vote. However, if the Blackstone Investor Group nominates or designates fewer than the maximum number of directors to which they are entitled, then the directors nominated or designated by the Blackstone Investor Group will have aggregate voting power on board matters equal to the maximum number of directors that the Blackstone Investor Group is entitled to nominate or designate divided by the number of directors they have actually nominated or designated.

#### ***Approval Rights***

The Stockholders Agreement provides that without the approval of directors designated by at least two Investor Groups, in addition to any customary board approval, the Company will not, and will cause its subsidiaries not to, take certain actions, including:

certain mergers, consolidations, business combinations, reorganizations or liquidations;

certain acquisitions or dispositions of business or assets valued in excess of 20% of the fair market value of the total assets of the Company and its subsidiaries;

certain debt and preferred stock issuances that would increase the aggregate debt and preferred stock level by an amount in excess of 20% of the fair market value of the total assets of the Company and its subsidiaries;

transactions with affiliates, other than de minimis transactions on arm's length terms; or