

BAHL TRACY L  
Form 4  
August 13, 2009

**FORM 4**

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

OMB APPROVAL

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

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*

BAHL TRACY L

(Last) (First) (Middle)

C/O EMDEON INC., 3055  
LEBANON PIKE, SUITE 1000

(Street)

NASHVILLE, TN 37214

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Emdeon Inc. [EM]

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

08/11/2009

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

Exec.Chairman, Director

6. Individual or Joint/Group Filing (Check Applicable Line)

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned**

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Reported (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
				(A) or (D)	Transaction(s) (Instr. 3 and 4)		
				Code	V	Amount	(D) Price

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

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SEC 1474  
(9-02)

**Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any	4. Transaction Code	5. Number of Derivative Securities	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)
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- 64,886 of the unvested EBS Units will vest in quarterly installments as follows: 1,622.15 will vest on November 8, 2009 and at the end of each quarter thereafter until February 8, 2012; 1,622.15 will vest on November 8, 2009 and at the end of each quarter thereafter until February 8, 2013; and 1,622.15 will vest on May 8, 2010 and at the end of each quarter thereafter until February 8, 2014. 206,578 of the unvested EBS Units are subject to a combination of time and performance vesting based on continued service through April 1, 2013 and company performance in fiscal years 2011 and 2012.
- (2)

- In accordance with the terms of EBS Master's operating agreement, each vested EBS Unit (along with a corresponding share of the issuer's Class B common stock) is exchangeable at any time for one share of the issuer's Class A common stock, or at the election of EBS Master, cash equal to the fair market value of the EBS Unit. The EBS Units do not expire and the reporting person is not required to pay an exercise price in connection with exchanges. The Class B common stock provides the holder with one vote on all matters submitted to a vote of the issuer's stockholders but does not entitle the holder to any of the economic rights associated with shares of the issuer's Class A common stock.
- (3)

- Represents employee stock options granted by the issuer to the reporting person in connection with the IPO. The options will vest annually in equal installments over a three year period from the date of grant.
- (4)

- Represents employee stock options granted by the issuer to the reporting person in connection with the IPO. 242,526 of the options vest annually in equal installments over a three year period from the date of grant, and 643,422 of the options are subject to a combination of time and performance vesting based on continued service through the third anniversary of the date of grant and company performance in fiscal years 2011 and 2012.
- (5)

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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