

Hedges Derek  
Form 3  
March 05, 2010

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 *		2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â Hedges Derek		(Month/Day/Year)	ATHENAHEALTH INC [ATHN]	
(Last)	(First)	(Middle)	4. Relationship of Reporting Person(s) to Issuer	5. If Amendment, Date Original Filed(Month/Day/Year)
		02/25/2010		
311 ARSENAL STREET			(Check all applicable)	6. Individual or Joint/Group Filing(Check Applicable Line)
	(Street)		<input type="checkbox"/> Director <input type="checkbox"/> 10% Owner	<input checked="" type="checkbox"/> Form filed by One Reporting Person
WATERTOWN,Â MAÂ 02472			<input checked="" type="checkbox"/> Officer <input type="checkbox"/> Other	<input type="checkbox"/> Form filed by More than One Reporting Person
(City)	(State)	(Zip)	(give title below) (specify below)	
			SVP Business Development	

**Table I - Non-Derivative Securities Beneficially Owned**

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	1,548	D	Â

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly. SEC 1473 (7-02)

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

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)	3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of	

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				Shares		(I) (Instr. 5)	
Stock Option (Right to Buy)	01/09/2007 <sup>(1)</sup>	05/04/2016	Common Stock	500	\$ 5.72	D	Â
Stock Option (Right to Buy)	01/01/2008 <sup>(2)</sup>	03/15/2017	Common Stock	7,500	\$ 7.39	D	Â
Stock Option (Right to Buy)	01/07/2009 <sup>(3)</sup>	03/03/2018	Common Stock	10,000	\$ 32.72	D	Â
Stock Option (Right to Buy)	01/05/2010 <sup>(4)</sup>	03/02/2019	Common Stock	20,000	\$ 25.67	D	Â

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Hedges Derek 311 ARSENAL STREET WATERTOWN, MA 02472	Â	Â	Â SVP Business Development	Â

## Signatures

/s/ Daniel H. Orenstein  
Attorney-in-Fact  
Date: 03/05/2010

Signature of Reporting Person

Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, see Instruction 5(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) 100% vested.

- (2) The Reporting Person was originally granted an option to purchase 15,000 shares and has to date exercised that option to purchase 7,500 of those shares. Subject to the Reporting Person's continued employment with the Issuer, the option vests and becomes exercisable in four equal annual installments beginning on January 1, 2008, until fully vested and exercisable on January 1, 2011.
- (3) Subject to the Reporting Person's continued employment with the Issuer, the option vests and becomes exercisable in four equal annual installments beginning on January 7, 2009, until fully vested and exercisable on January 7, 2012.
- (4) Subject to the Reporting Person's continued employment with the Issuer, the option vests and becomes exercisable in four equal annual installments beginning on January 5, 2010, until fully vested and exercisable on January 5, 2013.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, See Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.