

AMERICAN HEALTHWAYS INC
 Form 4
 May 23, 2005

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 *
 STONE ROBERT E

2. Issuer Name and Ticker or Trading Symbol
 AMERICAN HEALTHWAYS INC
 [AMHC]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)
 ___ Director ___ 10% Owner
 Officer (give title below) ___ Other (specify below)
 EVP and Chief Strategy Officer

(Last) (First) (Middle)
 AMERICAN HEALTHWAYS,
 INC., 3841 GREEN HILLS
 VILLAGE DRIVE
 (Street)

3. Date of Earliest Transaction
 (Month/Day/Year)
 05/19/2005

NASHVILLE, TN 37215
 (City) (State) (Zip)

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

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			4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V	Amount				
Common Stock	05/19/2005		S		170,000	D	\$ 41.0152	0	D
Common Stock	05/20/2005		M		37,500	A	\$ 2.48	0	D
Common Stock	05/20/2005		M		39,500	A	\$ 2.07	0	D
Common Stock	05/20/2005		S		125,000	D	\$ 40.1685	0	D
	05/23/2005		M		20,500	A	\$ 2.07	0	D

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Common Stock									
Common Stock	05/23/2005		M	14,500	A	\$ 1.89	0	D	
Common Stock	05/23/2005		S	35,000	D	\$ 39.9191	150,172	D	
Common Stock							3,894	I	Held in 401(k) Plan

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

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SEC 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 (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)		
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Option to Buy	\$ 2.48	05/20/2005		M	37,500	09/29/1999 ⁽¹⁾ 09/29/2008	Common Stock	37,500	
Option to Buy	\$ 2.07	05/20/2005		M	39,500	11/12/2000 ⁽²⁾ 11/12/2009	Common Stock	39,500	
Option to Buy	\$ 2.07	05/23/2005		M	20,500	11/12/2000 ⁽²⁾ 11/12/2009	Common Stock	20,500	
Option to Buy	\$ 1.89	05/23/2005		M	14,500	09/29/2001 ⁽³⁾ 09/29/2010	Common Stock	14,500	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STONE ROBERT E AMERICAN HEALTHWAYS, INC.			EVP and Chief Strategy Officer	

3841 GREEN HILLS VILLAGE DRIVE
NASHVILLE, TN 37215

Signatures

/s/ Mary A. Chaput, by power of attorney for Robert E.
Stone

05/23/2005

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) Option vests 25% per year beginning on 9/29/1999.

(2) Option vests 25% per year beginning on 11/12/2000.

(3) Option vests 25% per year beginning on 9/29/2001.

(4) Information in this column is left blank because the transaction represents the conversion of a security.

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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