

King-Shaw Ruben Jose JR
 Form 4
 March 11, 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 *
 King-Shaw Ruben Jose JR

2. Issuer Name and Ticker or Trading Symbol
 ATHENAHEALTH INC [ATHN]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 03/09/2009

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

C/O ATHENAHEALTH, INC., 311 ARSENAL STREET

(Street)

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

WATERTOWN, MA 02472

(City) (State) (Zip)

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 Following Reported Transaction(s) (Instr. 3 and 4) | 6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) | 7. Nature of Ownership (Instr. 4) | |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|---|
| | | | Code | V | Amount or Price | | | |
| Common Stock | 03/09/2009 | | M | | 5,000 | A | \$ 0.62 5,000 | D |
| Common Stock | 03/09/2009 | | S | | 5,000 | D | \$ 27.21 0 | D |
| Common Stock | 03/10/2009 | | M | | 29,600 | A | \$ 0.62 29,600 | D |
| Common Stock | 03/10/2009 | | S | | 17,939 | D | \$ 27.64 11,661 | D |
| | 03/10/2009 | | S | | 11,661 | D | 0 | D |

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| | | | | |
|--------------|---------------------------|---|--|-------------------------------|
| Common Stock | \$ 28.21 <u>(3)</u> | | | |
| Common Stock | 30,000 | I | | See Footnote <u>(4)</u> |

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

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.

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(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) | Amount or Number of Shares | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|--|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | |
| Stock Option (Right to Buy) | \$ 0.62 | 03/09/2009 | | M | 5,000 | 12/17/2003 12/17/2013 | Common Stock | 5,000 | |
| Stock Option (Right to Buy) | \$ 0.62 | 03/10/2009 | | M | 29,600 | 12/17/2003 12/17/2013 | Common Stock | 29,600 | |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| King-Shaw Ruben Jose JR C/O ATHENAHEALTH, INC. 311 ARSENAL STREET WATERTOWN, MA 02472 | X | | | |

Signatures

/s/ Daniel H. Orenstein
Attorney-in-Fact

03/11/2009

__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) This price represents the weighted average of sales ranging from \$27.10 to \$27.32. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.

(2) This price represents the weighted average of sales ranging from \$27.20 to \$28.19. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.

(3) This price represents the weighted average of sales ranging from \$28.20 to \$28.28. Upon request by the Commission staff, the Issuer, or a security holder of the Issuer, the Reporting Person will provide full information regarding the number of shares sold at each separate price.

(4) Represents shares directly owned by Mansa Equity Partners, Inc. ("Mansa"). Mr. King-Shaw is the chief executive officer of Mansa. Mr. King-Shaw disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein.

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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