

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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 15, 2005



SIERRA HEALTH SERVICES, INC.

(Exact name of registrant as specified in its charter)

Nevada
(State or Other Jurisdiction
of Incorporation)

1-8865
(Commission File Number)

88-0200415
(IRS Employer
Identification No.)

2724 North Tenaya Way
Las Vegas, Nevada 89128
(Address of principal executive offices including zip code)

(702) 242-7000
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Item 3.02 Unregistered Sales of Equity Securities

On September 15, 2005, Sierra Health Services, Inc. (“Sierra”), entered into a privately negotiated transaction with a holder of Sierra’s 2¼% Senior Convertible Debentures due 2023 (the “Debentures”) pursuant to which the Debentures owned by the holder were converted into Sierra common stock, par value \$.005 per share (the “Common Stock”), in accordance with the indenture governing the debentures. The holder converted \$10,000,000 aggregate principal amount of the Debentures and, upon such conversion, received (i) 546,747 shares of Common Stock and (ii) \$228,125 in cash for accrued and prepaid interest. This transaction will result in a third quarter expense of approximately \$400,000 due to the write-off of the associated deferred debenture-related costs and the \$225,000 in incurred prepaid interest. Sierra expects to incur third quarter debenture conversion related expenses totaling approximately \$1.2 million as a result of this transaction and the transaction that occurred on August 22, 2005.

The shares of Common Stock were issued in reliance upon the exemption from registration provided in Section 3(a)(9) of the Securities Act of 1933, as amended. No commission or other remuneration was paid or given directly or indirectly for soliciting the transaction.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SIERRA HEALTH SERVICES, INC.

(Registrant)

Date: September 19, 2005

/S/ PAUL H. PALMER

Paul H. Palmer

Senior Vice President

Chief Financial Officer and Treasurer

(Chief Accounting Officer)