

Lynch Michael A
 Form 4
 September 17, 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 *
 Lynch Michael A

2. Issuer Name and Ticker or Trading Symbol
 CARDINAL HEALTH INC [CAH]

5. Relationship of Reporting Person(s) to Issuer
 (Check all applicable)

(Last) (First) (Middle)
 7000 CARDINAL PLACE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 09/15/2009

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 CEO, Medical Segment

DUBLIN, OH 43017
 (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 (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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Shares | 09/15/2009 | | A | 25,394 | \$ 27.29 <u>(1)</u> | 65,132 | D |

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)

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| 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) | 8. Pri Deriv Secur (Instr | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|---------------------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Option (right to buy) ⁽²⁾ | \$ 27.29 | 09/15/2009 | | A | 1 | ⁽³⁾ | 09/15/2016 | Common Shares | 177,294 |
| Option (right to buy) ⁽⁵⁾ | \$ 27.29 | 09/15/2009 | | A | 1 | ⁽⁶⁾ | 09/15/2016 | Common Shares | 206,636 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Lynch Michael A 7000 CARDINAL PLACE DUBLIN, OH 43017 | | | CEO, Medical Segment | |

Signatures

James E. Barnett,
 Attorney-in-fact
 **Signature of Reporting Person
 Date 09/17/2009

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) Restricted share units granted under the Cardinal Health, Inc. 2005 Long-Term Incentive Plan, as amended and restated as of November 5, 2008. These restricted share units were granted without payment by the grantee and one-third will vest on September 15, 2010, one-third will vest on September 15, 2011 and one-third will vest on September 15, 2012. These restricted share units were granted as part of Cardinal Health, Inc.'s (the "Company's") fiscal 2010 annual grant.
- (2) Stock option granted pursuant to the Cardinal Health, Inc. 2005 Long-Term Incentive Plan, as amended and restated as of November 5, 2008. This stock option was granted as part of the Company's fiscal 2010 annual grant.
- (3) One-third of this stock option will vest on September 15, 2010, one-third will vest on September 15, 2011 and one-third will vest on September 15, 2012.
- (4) Stock option granted without payment by grantee.
- (5) Stock option granted pursuant to the Cardinal Health, Inc. 2005 Long-Term Incentive Plan, as amended and restated as of November 5, 2008. This stock option was granted in addition to the fiscal 2010 annual grant in conjunction with the launch of, and related increased focus on, the Company's remaining businesses following the completion of the separation of CareFusion Corporation.

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(6) One-half of this stock option will vest on September 15, 2011 and one-half will vest on September 15, 2012.

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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