

Kaufmann Michael C
 Form 4
 August 17, 2010

FORM 4

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

OMB APPROVAL

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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 *
Kaufmann Michael C

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)
08/15/2010

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
CEO, Pharmaceutical 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)		
			Code	V	Amount	(A) or (D)	Price		
Common Shares	08/15/2010		F(1)		439	D	\$ 31.36 (2)		
Common Shares	08/15/2010		F(3)		1,393	D	\$ 31.36 (2)		
Common Shares (4)	08/16/2010		A		21,652	A	\$ 0		
Common Shares							633	I	By ESPP
							32	I	By Spouse

Common
Shares

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

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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)
				Code	V (A) (D)	Date Exercisable Expiration Date	Title Amount Number Shares
Employee Stock Option (right to buy)	\$ 30.94	08/16/2010		A	182,359	<u>(5)</u> 08/16/2017	Common Shares 182,35

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Kaufmann Michael C 7000 CARDINAL PLACE DUBLIN, OH 43017			CEO, Pharmaceutical Segment	

Signatures

/s/ James E. Barnett,
Attorney-in-fact

08/17/2010

__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) Represents withholding of shares to satisfy tax withholding obligations of the reporting person in connection with the vesting of 1,372 restricted shares.
- (2) Reflects closing price on prior business day.
- (3)

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Represents withholding of shares to satisfy tax withholding obligations of the reporting person in connection with the vesting of 3,459 restricted shares.

(4) Grant of restricted share units that vest in three equal annual installments beginning on August 16, 2011.

(5) The stock option vests in three equal annual installments beginning on August 16, 2011.

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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