

NETSMART TECHNOLOGIES INC  
 Form 3  
 December 18, 2006

**FORM 3 UNITED STATES SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

OMB APPROVAL

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**INITIAL STATEMENT OF 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 * | 2. Date of Event Requiring Statement | 3. Issuer Name <b>and</b> Ticker or Trading Symbol | 4. Relationship of Reporting Person(s) to Issuer | 5. If Amendment, Date Original Filed(Month/Day/Year) |
| Â Scalia Kevin                            | (Month/Day/Year)<br>12/07/2006       | NETSMART TECHNOLOGIES INC [NTST]                   |  |  |
| (Last) (First) (Middle)                   |                                      |  |  |  |

C/O NETSMART TECHNOLOGIES, INC.,Â 3500 SUNRISE HIGHWAY  
 (Street)

(Check all applicable)

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

GREAT RIVER,Â NYÂ US 11739  
 (City) (State) (Zip)

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 Beneficially Owned**

|                                    |  |   |  |
|------------------------------------|--|---|--|
| 1. Title of Security<br>(Instr. 4) | 2. Amount of Securities Beneficially Owned<br>(Instr. 4) | 3. Ownership Form:<br>Direct (D)<br>or Indirect (I)<br>(Instr. 5) | 4. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|------------------------------------|--|---|--|

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

SEC 1473 (7-02)

**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.**

**Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)**

|   |   |  |  |  |  |
|---|---|--|--|--|--|
| 1. Title of Derivative Security<br>(Instr. 4) | 2. Date Exercisable and Expiration Date<br>(Month/Day/Year) | 3. Title and Amount of Securities Underlying Derivative Security<br>(Instr. 4) | 4. Conversion or Exercise Price of Derivative Security | 5. Ownership Form of Derivative Security: Direct (D) | 6. Nature of Indirect Beneficial Ownership<br>(Instr. 5) |
|   | Date Exercisable  | Expiration Date  | Title  | Amount or Number of                                  |  |

|                               |       |       |              |        |        |                                  |   |
|-------------------------------|-------|-------|--------------|--------|--------|----------------------------------|---|
|                               |       |       |              | Shares |        | or Indirect<br>(I)<br>(Instr. 5) |   |
| 2001 Long Term Incentive Plan | Â (1) | Â (1) | Common Stock | 73,378 | \$ (2) | D                                | Â |

## Reporting Owners

| Reporting Owner Name / Address  | Relationships |           |                |       |
|---|---------------|-----------|----------------|-------|
|   | Director      | 10% Owner | Officer        | Other |
| Scalia Kevin<br>C/O NETSMART TECHNOLOGIES, INC.<br>3500 SUNRISE HIGHWAY<br>GREAT RIVER, NY US 11739 | Â X           | Â         | Â Executive VP | Â     |

## Signatures

/s/ Kevin Scalia                      12/18/2006  
 \*\*Signature of                      Date  
 Reporting Person

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 5(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) 1 Options become exercisable and expire on various dates, based on the date of grant.
- (2) Options are exercisable at various prices.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *See* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.