HEALTHSOUTH CORP

Form 4

February 26, 2014

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

OMB APPROVAL OMB

3235-0287 Number: January 31,

2005

if no longer subject to Section 16. Form 4 or

Check this box

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Estimated average burden hours per 0.5

Expires:

Form 5 obligations may continue. See Instruction

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

response...

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person * Tarr Mark J

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to Issuer

below)

HEALTHSOUTH CORP [HLS]

(Check all applicable)

(First) (Last)

(Middle)

3. Date of Earliest Transaction

Director 10% Owner X_ Officer (give title Other (specify

4158 APPOMATTOX LANE

(Month/Day/Year) 02/24/2014

EVP and COO

6. Individual or Joint/Group Filing(Check

4. If Amendment, Date Original

Applicable Line)

Filed(Month/Day/Year)

X 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

MOUNTAIN BROOK, AL 35213

(Street)

(City) (State) (Zip) 1.Title of 2. Transaction Date 2A. Deemed

(Month/Day/Year)

02/24/2014

3. 4. Securities Acquired Execution Date, if Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5)

(1)

5. Amount of Securities Beneficially Owned

Following

7. Nature of Ownership Indirect Form: Beneficial Direct (D) Ownership or Indirect (Instr. 4)

(A)

Reported Transaction(s) (Instr. 3 and 4) (I)(Instr. 4)

(D) Price

Code V Amount

Healthsouth Common

1.244 F

(Instr. 8)

219,042

D

Stock

Security

(Instr. 3)

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

(Month/Day/Year)

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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. Transactic Code (Instr. 8)	5. Number of orDerivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisab Expiration Date (Month/Day/Year		7. Title and Am Underlying Sec (Instr. 3 and 4)
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title
Non-qualified Stock Option (Right to Buy)	\$ 31.97	02/24/2014		A	21,034	02/24/2015(2)	02/24/2024	Healthsouth Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships					
	Director	10% Owner	Officer	Other		

Tarr Mark J 4158 APPOMATTOX LANE MOUNTAIN BROOK, AL 35213

EVP and COO

Signatures

/s/ John P. Whittington, attorney-in-fact for Mark
J. Tarr

02/26/2014

**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) These shares were withheld or surrendered to pay the insider's tax withholding obligations incurred in connection with the vesting of the related restricted stock.
- The option becomes exercisable in annual installments over a three-year period, at the rate of 33.3% per year commencing February 24, 2015.

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.

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