

HEALTHCARE SERVICES GROUP INC

Reported by
BUNDICK JASON J

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 03/06/17 for the Period Ending 03/03/17

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|-------------|---|
| Address | 3220 TILLMAN DRIVE SUITE 300 BENSALEM, PA 19020 |
| Telephone | 2159381661 |
| CIK | 0000731012 |
| Symbol | HCSG |
| SIC Code | 8050 - Nursing And Personal Care Facilities |
| Industry | Business Support Services |
| Sector | Industrials |
| Fiscal Year | 12/31 |

[] 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 or Section 30(h) of the Investment Company Act of 1940

| | | | | | |
|--|--|--|--|--|--|
| 1. Name and Address of Reporting Person [*] Bundick Jason J (Last) (First) (Middle) 3220 TILLMAN DRIVE, SUITE 300 (Street) BENSALEM, PA 19020 (City) (State) (Zip) | | 2. Issuer Name and Ticker or Trading Symbol HEALTHCARE SERVICES GROUP INC [HCSG] | | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ____ Director _____ 10% Owner <input checked="" type="checkbox"/> X _____ Officer (give title below) _____ Other (specify below) General Counsel & Secretary | |
| | | 3. Date of Earliest Transaction (MM/DD/YYYY) 3/3/2017 | | 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> X Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person | |
| | | 4. If Amendment, Date Original Filed (MM/DD/YYYY) | | | |

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

| 1. Title of Security (Instr. 3) | 2. Trans. Date | 2A. Deemed Execution Date, if any | 3. Trans. 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 Stock | 3/3/2017 | | M | | 2800 | A | \$23.50 | 3460 | D | |
| Common Stock | 3/3/2017 | | M | | 2000 | A | \$28.02 | 5460 | D | |
| Common Stock | 3/3/2017 | | S | | 500 | D | \$41.981 | 4960 | D | |
| Common Stock | 3/3/2017 | | S | | 4300 | D | \$41.9831 | 660 | D | |

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

| 1. Title of Derivate Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Trans. Date | 3A. Deemed Execution Date, if any | 4. Trans. 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 | | 7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4) | 8. Price of Derivative Security (Instr. 5) | 9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4) | 10. Ownership Form of Derivative Security (Direct (D) or Indirect (I)) (Instr. 4) | 11. Nature of Indirect Beneficial Ownership (Instr. 4) |
|--|--|----------------|-----------------------------------|---------------------------|---|--|-----|---|-----------------|---|--|--|---|--|
| | | | | Code | V | (A) | (D) | Date Exercisable | Expiration Date | | | | | |
| Stock Option (right to buy) | \$23.5 | 3/3/2017 | | M | | 2800 | | 1/4/2018 ↗ | 1/4/2023 | Common Stock | \$0 | 700 | D | |
| Stock Option (right to buy) | \$28.02 | 3/3/2017 | | M | | 2000 | | 1/3/2019 ↗ | 1/3/2024 | Common Stock | \$0 | 3000 | D | |

Explanation of Responses:

- (1) These options shall vest and become exercisable at the rate of 20% annually, commencing on the first anniversary of the January 4, 2013 grant date.
- (2) These options shall vest and become exercisable at the rate of 20% annually, commencing on the first anniversary of the January 3, 2014 grant date.

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|--|-------|
| | Director | 10% Owner | Officer | Other |
| Bundick Jason J 3220 TILLMAN DRIVE SUITE 300 BENSALEM, PA 19020 | | | General Counsel & Secretary | |

Signatures

/s/ Michael Harrity, by Power of Attorney 3/6/2017
^{**}Signature of Reporting Person Date

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

* 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).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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.

POWER OF ATTORNEY

Know all by these presents that the undersigned hereby constitutes and appoints each of John Shea, and Michael Harrity signing singly, as the undersigned's true and lawful attorneys-in-fact to:

1)execute for and on behalf of the undersigned Forms 3, 4 and 5 in accordance with Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act") relating to Healthcare Service s Group, Inc. (the "Company");

2)do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Forms 3, 4 or 5, complete and execute any amendment or a mendments thereto, and timely file such form with the United States Securities and Exchange Commission and any stock exchange or similar authority; and

3)take any other action of any type whatsoever in connection with the foregoing which, in the opinion of such attorney-in-fact, may be of benefit to, in the best interest of, or legally required b y, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exer cise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that each such attorney-in-fact, or each such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of at torney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming any of the undersigned's responsibilities to comply with Section 16 of the Exchange Act. The undersigned acknowledges that such attorney-in-fact is not assuming: (i) any liability for the unders igned's responsibility to comply with the requirements of the Act; (ii) any liability of the undersigned for any failure to comply with such requirements; or (iii) any obligation or liability of t he undersigned for profit disgorgement under Section 16(b) of the Act.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms 3, 4 and 5 with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 27th day of January, 2016.

Signature /s/ Jason J. Bundick

Print Name Jason J. Bundick