HEALTHSOUTH CORP

Reported by

CHIDSEY JOHN

FORM 4

(Statement of Changes in Beneficial Ownership)

Filed 10/08/08 for the Period Ending 10/08/08

Address	ONE HEALTHSOUTH PKWY STE 224W BIRMINGHAM, AL 35243
Telephone	2059677116
CIK	0000785161
Symbol	HLS
SIC Code	8093 - Specialty Outpatient Facilities, Not Elsewhere Classified
Industry	Healthcare Facilities
Sector	Healthcare
Fiscal Year	12/31

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FORM 4

[ ] Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

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(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person *	2. Issuer Name **and** Ticker or Trading Symbol	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)
CHIDSEY JOHN (Last) (First) (Middle)	**HEALTHSOUTH CORP [HLS]**	__ **X** __ Director _____ 10% Owner _____ Officer (give title below) _____ Other (specify below)
5505 BLUE LAGOON DRIVE (Street)	3. Date of Earliest Transaction (MM/DD/YYYY) **10/8/2008**	
MIAMI, FL 33126 (City) (State) (Zip)	4. If Amendment, Date Original Filed (MM/DD/YYYY)	6. Individual or Joint/Group Filing (Check Applicable Line) _ **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

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			
HEALTHSOUTH Common Stock	**10/8/2008**		**J** (1)		**1095**	**A**	**$14.7**	**15069**	**D**	
HEALTHSOUTH Common Stock	**10/8/2008**		**J** (1)		**200**	**A**	**$14.698**	**15269**	**D**	
HEALTHSOUTH Common Stock	**10/8/2008**		**J** (1)		**300**	**A**	**$14.718**	**15569**	**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	Title	Amount or Number of Shares				

Explanation of Responses:

(1) This transaction is a purchase of shares of common stock of HealthSouth Corporation (the "Company") pursuant to an election by the reporting person to participate in the Directors Deferred Stock Investment Plan of the Company (the "Plan"). The Plan is a non-qualified deferral plan adopted and effective November 1, 2007, allowing non-employee directors to make elections during 2007 to defer fixed percentages of their directors fees for 2008. The amount each participant defers under the Plan is deducted, on a quarterly basis, from the directors fees the participant would otherwise have received in cash. The transaction reported on this Form 4 is the acquisition of common stock of the Company for the account of the reporting person, for an aggregate purchase price equal to the amount of fees deferred by the reporting person for the current quarter of 2008 under the Plan.

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CHIDSEY JOHN **5505 BLUE LAGOON DRIVE**	**X**			

MIAMI, FL 33126				

Signatures

By: John P. Whittington For: John W. Chidsey **10/8/2008**

** 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.

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