Clerk of the House of Representatives	Secretary of the Senate
Legislative Resource Center	Office of Public Records
B-106 Cannon Building	232 Hart Building
Washington, DC 20515	Washington, DC 20510

Secretary of the Senate
Received: Feb 05, 2008

LOBBYING REPORT

Lobbying Disclosure Act of 1995 (Section 5) - **All Filers Are Required To Complete This Page**

1. Registrant Name:

BALCH & BINGHAM LLP

2. Address:
801 Pennsylvania Avenue, NW Suite 325, Washington, DC 20004

3. Principal place of business (if different from line 2):
City: BIRMINGHAM State/Zip(or Country): AL 35203

4. Contact Name: JAMES H. HANCOCK, JR.
Telephone: 2052518100
E-mail (optional): jhancock@balch.com

Senate ID #: 5197-696
House ID #: 311070040

7. Client Name: ☐ Self

HEALTHSOUTH CORP

TYPE OF REPORT

8. Year 2007 Midyear (January 1 - June 30): ☐ **OR** Year End (July 1 - December 31): ☒

9. Check if this filing amends a previously filed version of this report: ☐

10. Check if this is a Termination Report: ☐ => Termination Date: 11. No Lobbying Activity: ☐

INCOME OR EXPENSES

Complete Either Line 12 **OR** Line 13

12. Lobbying Firms

INCOME relating to lobbying activities for this reporting period was:

Less than $10,000: ☐

$10,000 or more: ☒ => Income (nearest $20,000): 40,000.00

Provide a good faith estimate, rounded to the nearest $20,000, of all lobbying related income from the client (including all payments to the registrant by any other entity for lobbying activities on behalf of the client).

13. Organizations

EXPENSES relating to lobbying activities for this reporting period were:

Less than $10,000: ☐

$10,000 or more: ☐ => Expenses (nearest $20,000): _____

14. Reporting Method.
Check box to indicate expense accounting method. See instructions for description of options.

☐ **Method A.** Reporting amounts using LDA definitions only
☐ **Method B.** Reporting amounts under section 6033(b)(8) of the Internal Revenue Code
☐ **Method C.** Reporting amounts under section 162(e) of the Internal Revenue Code

LOBBYING ACTIVITY.

Select as many codes as necessary to reflect the general issue areas in which the registrant engaged in lobbying on behalf of the client during the reporting period. Using a separate page for each code, provide information as requested. Attach additional page(s) as needed.

15. General issue area code: MMM (one per page)

16. Specific lobbying issues:

Medicare inpatient rehabilitation facility prospective payment system "75 percent" rule

17. House(s) of Congress and Federal agencies contacted:
HOUSE OF REPRESENTATIVES
Health & Human Services, Dept of (HHS)
SENATE

18. Name of each individual who acted as a lobbyist in this issue area:

Name: DAVIS, MICHAEL J.
Covered Official Position (if applicable): N/A
Name: STIERS, WILLIAM F.
Covered Official Position (if applicable): N/A

19. Interest of each foreign entity in the specific issues listed on line 16 above.**None**

Signature: ON FILE Date: Feb 05, 2008

Printed Name and Title: JAMES H. HANCOCK, JR.-PARTNER -