HealthSouth Appoints Gregory L. Doody as Executive Vice President, General Counsel and Secretary

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HealthSouth Corporation (OTC Pink Sheets: HLSH) today announced the appointment of Gregory L. Doody as Executive Vice President, General Counsel and Secretary. Doody had been serving as Interim Corporate Counsel and Secretary since September 2003.

"Greg is a talented and experienced attorney who has been an invaluable member of the HealthSouth team since joining the company last year," said Robert P. May, HealthSouth's Interim Chief Executive Officer. "Among his other numerous contributions, Greg has played an important role in the rebuilding of HealthSouth, especially in our ongoing efforts to improve HealthSouth's corporate governance and compliance structures."

Before joining HealthSouth, Doody was a partner of Balch & Bingham LLP, a regional law firm based in Birmingham, Ala., where he was a member of the firm's Financial Services and Transactions section and the Corporate, Tax and Finance section. While at Balch & Bingham, Doody's practice focused primarily in the areas of securities, corporate governance, capital markets transactions and financial services regulation. Prior to joining the legal profession, he was a manager in the financial reporting department of Schlumberger Limited and was an auditor with the accounting firm now known as PricewaterhouseCoopers LLP.

Doody also is a member of the Alabama State Bar, Birmingham Bar Association and American Bar Association and is a Certified Public Accountant in New York and Alabama. He is an active participant in several committees of the American Bar Association's Business Law Section, including the Corporate Governance Committee and the Law and Accounting Committee. In addition, Doody is a member of the Executive Committee of The Federalist Society's Corporations, Securities and Antitrust Practice Group and serves as an Advisor for Corporate Governance.

Doody is a graduate of Emory University School of Law in Atlanta and Tulane University in New Orleans.

About HEALTHSOUTH

HealthSouth is the nation's largest provider of outpatient surgery, diagnostic imaging and rehabilitative healthcare services, with nearly 1,700 locations nationwide and abroad. HealthSouth can be found on the Web at www.healthsouth.com.

Statements contained in this press release which are not historical facts are forward-looking statements. In addition, HealthSouth, through its senior management, may from time to time make forward-looking public statements concerning the matters described herein. Such forward-looking statements are necessarily estimates based upon current information, involve a number of risks and uncertainties and are made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. HealthSouth's actual results may differ materially from the results anticipated in these forward- looking statements as a result of a variety of factors. While it is impossible to identify all such factors, factors which could cause actual results to differ materially from those estimated by HealthSouth include, but are not limited to: the investigations by the Department of Justice and the Securities Exchange Commission into HealthSouth's financial reporting and related activity calling into question the accuracy of the Company's previously filed financial statements; HealthSouth's statement that as a result of the investigations, the Company's previously filed financial statements should no longer be relied upon and may result in the Company restating its prior financial statements; the withdrawal by HealthSouth's former accountants of their audit reports on all of the Company's previously filed financial statements; the outcome of pending litigation relating to these matters; significant changes in HealthSouth's management team; HealthSouth's ability to successfully amend, restructure and/or renegotiate its existing indebtedness or cure or receive a waiver of the events of default under such agreements, the failure of which may result in HealthSouth filing a voluntary petition for bankruptcy; HealthSouth's ability to continue to operate in the ordinary course and manage it's relationships with its creditors, including it's lenders, bondholders, vendors and suppliers, employees and customers; changes, delays in or suspension of reimbursement for HealthSouth's services by governmental or private payors; changes in the regulation of the healthcare industry at either or both of the federal and state levels; changes to or delays in the implementation of the prospective payment system for inpatient rehabilitation services; competitive pressures in the healthcare industry and HealthSouth's response thereto; HealthSouth's ability to obtain and retain favorable arrangements with third-party payors; general conditions in the economy and capital markets; and other factors which may be identified from time to time in the Company's SEC filings and other public announcements.

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SOURCE: HealthSouth Corporation

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Web site: http://www.healthsouth.com/

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