

SELECT MEDICAL CORP

Form 8-K

January 30, 2007

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**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549**

**FORM 8-K
CURRENT REPORT**

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): January 27, 2007

SELECT MEDICAL CORPORATION

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of
Incorporation)

000-32499

(Commission File
Number)

23-2872718

(I.R.S. Employer
Identification No.)

4716 Old Gettysburg Road, P.O. Box 2034, Mechanicsburg, PA 17055

(Address of principal executive offices) (Zip Code)

(717) 972-1100

(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Stock Purchase Agreement

Select Medical Corporation Press Release

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Item 1.01 Entry into a Material Definitive Agreement

On January 27, 2007, Select Medical Corporation (Select) and HealthSouth Corporation (HealthSouth) entered into a Stock Purchase Agreement (the Stock Purchase Agreement), pursuant to which Select has agreed to acquire the outpatient rehabilitation division of HealthSouth for approximately \$245 million. The purchase price is subject to adjustment based on the division's net working capital on the closing date.

The transaction, which is expected to close in the second quarter of 2007, is subject to a number of closing conditions, including receipt of regulatory approvals.

The foregoing description of the Stock Purchase Agreement does not purport to be complete and is qualified in its entirety by reference to the Stock Purchase Agreement. A copy of the Stock Purchase Agreement is attached to this report as Exhibit 2.1 and is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure

On January 29, 2007, Select Medical Corporation issued a press release announcing the execution of the Stock Purchase Agreement. A copy of the press release is attached to this report as Exhibit 99.1

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

| Exhibit Number | Description |
|----------------|---|
| 2.1 | Stock Purchase Agreement between HealthSouth Corporation and Select Medical Corporation dated January 27, 2007. |
| 99.1 | Select Medical Corporation Press Release dated January 29, 2007. |

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SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SELECT MEDICAL CORPORATION

Date: January 27, 2007

By: /s/ Michael E. Tarvin
Michael E. Tarvin
Senior Vice President, General Counsel
and Secretary

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EXHIBIT INDEX

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