

CONFIDENTIAL
TREATMENT REQUESTED
HEALTHSOUTH Corporation

Meeting of the Corporate Compensation Committee

September 2, 2002

Minutes

A Meeting of the Compensation Committee of the Board of Directors of HEALTHSOUTH Corporation (the "Corporation") was held at the Corporation's offices in Birmingham, Alabama on September 2, 2002.

The following members were present: Larry D. Striplin, Jr., Phillip C. Watkins, M.D., and John S. Chamberlin. The following guest was present: Brandon O. Hale, Executive Vice President, Administration and Secretary of the Corporation.

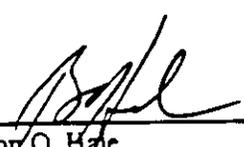
Mr. Hale was advised by Mr. Striplin that he discussed via telephone the following salary changes for Mr. Scrushy and Mr. Owens. Mr. Striplin stated that the changes were approved unanimously by the Committee to be effective September 2, 2002.

Richard M. Scrushy, Chairman of the Board

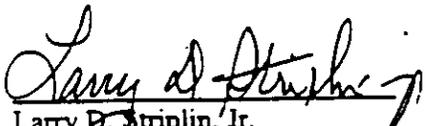
Salary \$1,200,000/year
Target Bonus \$1,200,000/year

William T. Owens, Chief Executive Officer

Salary \$1,200,000/year
Target Bonus \$ 600,000/year



Brandon O. Hale
Executive Vice President, Administration
and Secretary



Larry D. Striplin, Jr.
Chairman, Compensation Committee
of the Board of Directors

HHEC 18-01840