

MCCARTNEY DANIEL P
 Form 4
 November 14, 2008

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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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(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 MCCARTNEY DANIEL P

2. Issuer Name and Ticker or Trading Symbol
 HEALTHCARE SERVICES GROUP INC [HCSG]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 3220 TILLMAN DRIVE, SUITE 300
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 11/13/2008

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chief Executive Officer

BENSALEM, PA 19020

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 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. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction 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)			
				(A) or (D)	Price					
				Code	V	Amount				
Common stock	11/13/2008		M		23,786	A	\$ 1,5001	2,721,557	D	
Common stock	11/13/2008		M		140,171	A	\$ 2.2	2,861,728	D	
Common stock	11/13/2008		M		47,744	A	\$ 2.7297	2,909,472	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction 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 (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	
					V	(A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock option	\$ 2.7297	11/13/2008		M		47,744	06/04/1999	12/04/2008	common stock	47,744
Stock option	\$ 2.2	11/13/2008		M		140,171	06/16/2000	12/16/2009	common stock	140,171
Stock option	\$ 1.5001	11/13/2008		M		23,786	06/06/2001	12/06/2010	common stock	23,786

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
MCCARTNEY DANIEL P 3220 TILLMAN DRIVE SUITE 300 BENSALEM, PA 19020	X		Chief Executive Officer	

Signatures

/s/ Daniel P. McCartney 11/14/2008

__Signature of Reporting Person Date

Explanation of Responses:

- * 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. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.