HEALTHCARE SERVICES GROUP INC
Form 4
January 22, 2007

FORM 4

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

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. *See* Instruction 1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *
DISTEFANO JAMES L

(Last) (First) (Middle)

3220 TILLMAN DR, SUITE 300

(Street)

BENSALEM, PA 19020

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
01/19/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
CFO and TREASURER

6. Individual or Joint/Group Filing(Check Applicable Line)
_X_ 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)
			Code	V	Amount	(A) or (D)	Price			
COMMON STOCK								4,019 (1)	D	

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
PHANTOM STOCK (2)	$ 0 (3)	01/19/2007		A		277 (2)		01/19/2007	(4)	COMMON STOCK	277

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
DISTEFANO JAMES L 3220 TILLMAN DR SUITE 300 BENSALEM, PA 19020			CFO and TREASURER	

Signatures

/S/ JAMES DiSTEFANO	01/22/2007
**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).

(1) INCLUDES 290 SHARES ISSUED IN 2007 PURSUANT TO 2006 EMPLOYEE STOCK PURCHASE PLAN PAYMENTS.

(2) ACQUIRED PURSUANT TO AN ISSUER CONTRIBUTION UNDER THE HEALTHCARE SERVICES GOUP, INC. DEFERRED COMPENSATION PLAN.

(3) SHARES ISSUED AT CONVERSION RATE OF 1 FOR 1

(4) SHARES OF PHANTOM STOCK ARE PAYABLE IN CASH OR STOCK FOLLOWING TERMINATION OF THE REPORTING PERSON'S EMPLOYMENT WITH ISSUER.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.
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