

H&Q HEALTHCARE INVESTORS  
Form DEFA14A  
May 18, 2012

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

**SCHEDULE 14A**

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant  X

Filed by a Party other than the Registrant  O

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

H&Q Healthcare Investors  
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

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- No fee required.
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H&Q Healthcare Investors

Supplement dated May 18, 2012 to the Proxy Statement

This proxy statement supplement is furnished by H&Q Healthcare Investors (the Fund or HQH ) in connection with the solicitation of proxies for use at the Annual Meeting of Shareholders to be held on Monday, June 11, 2012 at 9:00 a.m. at the office of the Fund, 2 Liberty Square, 9th Floor, Boston, Massachusetts 02109, and at any adjournment or postponement of that meeting. This proxy statement supplement amends and supplements the Fund s proxy statement previously sent to you on or about May 1, 2012.

The Proxies and Voting at the Annual Meeting section on pages 16 and 17 of the Proxy Statement is hereby modified as follows:

To the best of the Fund s knowledge, based upon filings made with the SEC, as of April 30, 2012, the below persons or group beneficially owned more than 5% of the voting securities of the Fund:

| (1) Title of class | (2) Name and address of beneficial owner                      | (3) Amount and nature of beneficial ownership | (4) Percent of class |
|--------------------|---|---|----------------------|
| Common stock       | Morgan Stanley<br><br>1858 Broadway<br><br>New York, NY 10036 | 1,825,538 shares*                             | 7%                   |

\*Morgan Stanley and/or certain of its operating units (including Morgan Stanley Smith Barney LLC) have sole dispositive power with respect to 1,825,538 shares, sole voting power with respect to 1,269,440 of such shares, and shared voting power with respect to 394,813 of such shares.

Please note that if you have already submitted your vote, there is no need for you to take any additional action.

We also encourage those shareholders who have not yet voted to exercise their right to vote.