

COMMUNITY HEALTH SYSTEMS INC  
Form 4  
December 15, 2014

**FORM 4**

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

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).

**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 \*  
Smith Martin Dewayne

2. Issuer Name and Ticker or Trading Symbol  
COMMUNITY HEALTH SYSTEMS INC [CYH]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
4000 MERIDIAN BLVD  
(Street)

3. Date of Earliest Transaction (Month/Day/Year)  
12/12/2014

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Division President

FRANKLIN, TN 37067

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

(City) (State) (Zip)

**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	12/12/2014		M		1,500	A	\$ 37.21 77,535
Common Stock	12/12/2014		S		1,500	D	\$ 51.1723 76,035

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 Security (Instr. 3 and 4)	Amount or Number of Shares	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Options (Right to Buy)	\$ 37.21	12/12/2014		M	1,500	02/28/2008	02/27/2015	Common Stock	1,500
Stock Options (Right to Buy)	\$ 40.41					07/25/2008	07/24/2015	Common Stock	8,000
Stock Options (Right to Buy)	\$ 32.28					02/27/2009	02/26/2018	Common Stock	1,500
Stock Options (Right to Buy)	\$ 33.9					02/24/2011	02/23/2020	Common Stock	10,000
Stock Options (Right to Buy)	\$ 37.96					02/23/2012	02/22/2021	Common Stock	10,000
Stock Options (Right to Buy)	\$ 21.07					02/16/2013	02/15/2022	Common Stock	8,000
Performance Based Restricted	\$ 0					03/01/2015 <sup>(2)</sup>	02/29/2024	Common Stock	25,000
Performance Based Restricted	\$ 0					03/01/2015 <sup>(3)</sup>	02/29/2024	Common Stock	10,000

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Smith Martin Dewayne 4000 MERIDIAN BLVD FRANKLIN, TN 37067			Division President	

## Signatures

Christopher G. Cobb, Attorney in Fact for Martin D. Smith  
12/15/2014

\_\_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) The shares were sold in a series of transactions at a weighted average price of \$51.1723 per share.

Each performance based restricted share represents a contingent right to receive one share of CYH common stock. There are two elements to the lapsing of the restriction; first, the Company must achieve specified targeted amount of earnings per share from

(2) continuing operations, or net revenue from continuing operations, and if the performance objective is met, the vesting restrictions will lapse in 1/3 increments on the first, second and third anniversary of the date of grant. If the objectives are not met, the shares will be forfeited.

Each performance based restricted share represents a contingent right to receive one share of CYH common stock. The lapsing of the restrictions is dependent on the Company meeting certain cost savings ("synergies") from the Health Management Associates, Inc. merger transaction. The performance target may be met in part in the first year or in whole or in part over the first two years. There is also a time vesting element to the maximum targets of the award. If the objectives are not met, the shares will be forfeited.

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.