

COMMUNITY HEALTH SYSTEMS INC
 Form 4
 January 02, 2013

FORM 4

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

OMB APPROVAL

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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 *
CASH W LARRY

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 BOULEVARD
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
12/28/2012

Director 10% Owner
 Officer (give title below) Other (specify below)
Executive VP and CFO

FRANKLIN, TN 37067

(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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) Price | | | |
| Common Stock | 12/28/2012 | | A ⁽¹⁾ | 668 A <u>(1)</u> | 347,658 | 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.

SEC 1474 (9-02)

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

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| 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 Number of Shares |
| Performance Based Restricted Stock | \$ 0 | 12/28/2012 | | A ⁽²⁾ | 334 | 02/16/2013 ⁽³⁾ | 02/15/2022 | Common Stock | 334 |
| Stock Options (Right to Buy) | \$ 32.37 | | | | | 02/28/2006 | 02/28/2013 | Common Stock | 65,000 |
| Stock Options (Right to Buy) | \$ 38.3 | | | | | 03/01/2007 | 03/01/2014 | Common Stock | 50,000 |
| Stock Options (Right to Buy) | \$ 37.21 | | | | | 02/28/2008 | 02/28/2015 | Common Stock | 60,000 |
| Stock Options (Right to Buy) | \$ 40.41 | | | | | 07/25/2008 | 07/24/2015 | Common Stock | 200,000 |
| Stock Options (Right to Buy) | \$ 32.28 | | | | | 02/27/2009 | 02/26/2018 | Common Stock | 60,000 |
| Stock Options (Right to Buy) | \$ 18.18 | | | | | 02/25/2010 | 02/24/2019 | Common Stock | 20,000 |
| Stock Options (Right to Buy) | \$ 33.9 | | | | | 02/24/2011 | 02/23/2020 | Common Stock | 25,000 |
| Stock Options (Right to Buy) | \$ 37.96 | | | | | 02/23/2012 | 02/22/2021 | Common Stock | 25,000 |

| | | | | | |
|----------------|----------|--|------------|------------|------------|
| Stock | | | | | |
| Options | \$ 21.07 | | 02/16/2013 | 02/15/2022 | Common |
| (Right to Buy) | | | | | Stock 20,0 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|----------------------|-------|
| | Director | 10% Owner | Officer | Other |
| CASH W LARRY 4000 MERIDIAN BOULEVARD FRANKLIN, TN 37067 | X | | Executive VP and CFO | |

Signatures

| | |
|---|---------------------|
| Christopher G. Cobb, Attorney in Fact for William Larry Cash | 01/02/2013 |
| <small>**Signature of Reporting Person</small> | <small>Date</small> |

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 reporting person received these shares of additional Restricted Stock as a payment-in-kind dividend on shares of Restricted Stock owned on the dividend record date in accordance with the terms of the Restricted Stock Award Agreement (the "Agreement") resulting from the payment on December 28, 2012 of a cash dividend of \$0.25 per share of common stock based on the closing price of the issuer's common stock on such dividend payment date, which was \$29.94. Such additional Restricted Stock issued on account of the dividend will vest in installments identical to the vesting of the underlying Restricted Stock owned by the reporting person to which the dividend was paid subject to the Agreement.

(2) The reporting person received these shares of additional Performance Based Restricted Stock as a payment-in-kind dividend on shares of Performance Based Restricted Stock owned on the dividend record date in accordance with the terms of the Performance Based Restricted Stock Award Agreement (the "PB Agreement") resulting from the payment on December 28, 2012 of a cash dividend of \$0.25 per share of common stock based on the closing price of the issuer's common stock on such dividend payment date, which was \$29.94. Such additional Performance Based Restricted Stock issued on account of the dividend will vest, if at all, in installments identical to the vesting of the underlying Performance Based Restricted Stock owned by the reporting person to which the dividend was paid subject to the PB Agreement, as further described in Footnote 3.

(3) 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 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.

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.