

COMMUNITY HEALTH SYSTEMS INC
 Form 4
 February 25, 2015

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 *
 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)
 02/24/2015

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

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 | 02/24/2015 | | G | V 6,200 <u>(1)</u> D \$ 0 | 295,601 | D | |
| Common Stock | 02/25/2015 | | M | 200,000 A \$ 40.41 | 495,601 | D | |
| Common Stock | 02/25/2015 | | S | 195,000 D \$ 47.8236 <u>(2)</u> | 300,601 | 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

SEC 1474 (9-02)

displays a currently valid OMB control number.

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) | |
|--------------------------------------------|--------------------------------------------------------|--------------------------------------|----------------------------------------------------|--------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------|-------------------------------------------------------------|--------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title |
| Stock Options (Right to Buy) | \$ 40.41 | 02/25/2015 | | M | 200,000 | 07/25/2008 | 07/24/2015 | Common Stock |
| Stock Options (Right to Buy) | \$ 32.28 | | | | | 02/27/2009 | 02/26/2018 | Common Stock |
| Stock Options (Right to Buy) | \$ 18.18 | | | | | 02/25/2010 | 02/24/2019 | Common Stock |
| Stock Options (Right to Buy) | \$ 33.9 | | | | | 02/24/2011 | 02/23/2020 | Common Stock |
| Stock Options (Right to Buy) | \$ 37.96 | | | | | 02/23/2012 | 02/22/2021 | Common Stock |
| Stock Options (Right to Buy) | \$ 21.07 | | | | | 02/16/2013 | 02/15/2022 | Common Stock |
| Performance Based Restricted | \$ 0 | | | | | 03/01/2015 ⁽³⁾ | 02/29/2024 | Common Stock |
| Performance Based Restricted | \$ 0 | | | | | 03/01/2015 ⁽⁴⁾ | 02/29/2024 | Common Stock |

Reporting Owners

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

Signatures

Christopher G. Cobb, Attorney in Fact for W. Larry
Cash

02/25/2015

 **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) These shares were gifted to family members of Reporting Person who do not share Reporting Person's household.
 - (2) The shares were sold in a series of transactions at a weighted average price of \$47.8236 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 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.
 - (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.
 - (4) 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.