

COMMUNITY HEALTH SYSTEMS INC
 Form 4
 March 02, 2007

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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 WAYNE T

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)
 02/28/2007

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chairman, President & CEO

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 Indirect Beneficial Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| | | | Code | V | Amount | (A) or (D) | Price |
| Common Stock | 02/28/2007 | 02/28/2007 | F | | 11,379 | D | \$ 37.21 |
| Common Stock | 03/01/2007 | 03/01/2007 | F | | 12,150 | D | \$ 37.28 |
| Common Stock | 03/01/2007 | 03/01/2007 | M | | 100,000 | A | \$ 0 |
| Common Stock | | | | | | | 2,000 |
| | | | | | | I | Spouse |

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)

| 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 of Underlying Security (Instr. 3) |
|--|--|--------------------------------------|--|--------------------------------|---|---------|-----|--|-----------------|--|
| | | | | | V | (A) | (D) | Date Exercisable | Expiration Date | |
| Performance Based Restricted Shares | \$ 0 | 03/01/2007 | 03/01/2007 | M | | 100,000 | | <u>(1)</u> | <u>(1)</u> | Common Stock |
| Performance Based Restricted | \$ 0 | 02/28/2007 | 02/28/2007 | A | | 130,000 | | <u>(2)</u> | <u>(2)</u> | Common Stock |
| Stock Options (Right to Buy) | \$ 37.21 | 02/28/2007 | | A | | 100,000 | | 02/28/2008 ⁽³⁾ | 02/28/2015 | Common Stock |
| Stock Options (Right to Buy) | \$ 13 | | | | | | | 06/08/2001 | 06/08/2010 | Common Stock |
| Stock Options (Right to Buy) | \$ 20.3 | | | | | | | 05/22/2004 | 05/22/2013 | Common Stock |
| Stock Options (Right to Buy) | \$ 32.37 | | | | | | | 02/28/2006 | 02/28/2013 | Common Stock |
| Stock Options (Right to Buy) | \$ 38.3 | | | | | | | 03/01/2007 | 03/01/2014 | Common Stock |

Reporting Owners

Reporting Owner Name / Address

Relationships

Reporting Owners

Director 10% Owner Officer Other

SMITH WAYNE T
4000 MERIDIAN BOULEVARD X Chairman, President & CEO
FRANKLIN, TN 37067

Signatures

Rachel A. Seifert, Attorney in Fact for Wayne T. Smith 03/02/2007

__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).
- The performance objectives governing these shares of Restricted Stock have been met, and, accordingly, these shares will now be
- (1) reported in Table 1 as directly owned shares of Restricted Stock. The restrictions lapse in 1/3 increments on the first, second and third anniversary of the date of grant (3/1/06).
- Each performance based restricted share represents a contingent right to receive one share of CYH common stock. There are two
- (2) 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; if the performance objective is met, the restrictions will lapse in 1/3 increments on the first, second and third anniversary of the date of grant.
 - (3) Vesting occurs in 1/3 increments on the first, second and third anniversary of the date of grant.

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.