

Smith Martin Dewayne
 Form 4
 February 28, 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 *
 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)
 02/27/2013

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Division President

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 or Price		
Common Stock	02/27/2013 ⁽¹⁾		M		20,167 A \$ 0	107,915	D
Common Stock	02/27/2013		F		2,821 D \$ 41.71	105,094	D
Common Stock	02/27/2013		M		5,000 A \$ 32.37	110,094	D
Common Stock	02/27/2013		S		5,000 D \$ 40.35	105,094	D

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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(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 and Underlying (Instr. 3 and 4)
				Code V	(A) (D)	Date Exercisable Expiration Date	Title
Performance Based Restricted	\$ 0	02/27/2013		M	20,167	02/16/2013 ⁽¹⁾ 02/15/2022	Common Stock
Performance Based Restricted	\$ 0	02/27/2013		A	25,000	02/27/2014 ⁽²⁾ 02/26/2023	Common Stock
Stock Options (Right to Buy)	\$ 32.37	02/27/2013		M	5,000	02/28/2006 02/27/2013	Common Stock
Stock Options (Right to Buy)	\$ 25.7					12/09/2004 12/08/2013	Common Stock
Stock Options (Right to Buy)	\$ 25.13					05/25/2005 05/24/2014	Common Stock
Stock Options (Right to Buy)	\$ 38.3					03/01/2007 02/29/2016	Common Stock
Stock Options (Right to Buy)	\$ 37.21					02/28/2008 02/27/2017	Common Stock
Stock Options (Right to Buy)	\$ 40.41					07/25/2008 07/24/2017	Common Stock

Stock Options (Right to Buy)	\$ 32.28	02/27/2010	02/26/2019	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

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
 02/28/2013

**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).

Financial information necessary to determine if performance criteria had been satisfied was not publicly available on February 16, 2013, the first anniversary of the date of the award. At a meeting of the Compensation Committee ("Committee") held February 26, 2013, and (1) confirmed by the Board of Directors ("Board") on February 27, 2013, the Committee and the Board determined that the performance conditions had been satisfied. The shares will now be reported as owned shares in Table I, and restrictions on the remaining shares will lapse on the 2nd and 3rd anniversary of the original date of the award, all in accordance with the award agreement.

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.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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