WATSON H MITCHELL JR

Form 4

February 26, 2010

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB 32

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Form 5 obligations may continue. See Instruction

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

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

WATSON H MITCHELL JR Issuer Symbol COMMUNITY HEALTH (Check all applicable) SYSTEMS INC [CYH] (Last) (First) (Middle) 3. Date of Earliest Transaction X_ Director 10% Owner Officer (give title Other (specify (Month/Day/Year) below) 4000 MERIDIAN BOULEVARD 02/24/2010

2. Issuer Name and Ticker or Trading

(Street) 4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check
 Applicable Line)
 X Form filed by One Reporting Person
 _ Form filed by More than One Reporting

5. Relationship of Reporting Person(s) to

Person

FRANKLIN, TN 37067

(City) (State) (Zip) Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned 1.Title of 2. Transaction Date 2A. Deemed 4. Securities 5. Amount of 6. Ownership 7. Nature of 3. Security (Month/Day/Year) Execution Date, if TransactionAcquired (A) or Securities Form: Direct Indirect (Instr. 3) Code Disposed of (D) Beneficially Beneficial (D) or (Month/Day/Year) (Instr. 3, 4 and 5) Owned Indirect (I) Ownership (Instr. 8) Following (Instr. 4) (Instr. 4) Reported (A) Transaction(s) or (Instr. 3 and 4) Code V Amount (D) Price Common 02/25/2010 M 2,383 10,050 D Stock

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

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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. Numb orDerivati Securitic Acquire Dispose (Instr. 3,	ve es d (A) or d of (D)	6. Date Exercisab Expiration Date (Month/Day/Year			7. Title and Amou Underlying Secur (Instr. 3 and 4)	
				Code V	(A)	(D)	Date Exercisable	Expiration Date	Title	Am Nui Sha	
Phantom Stock	\$ 0	02/25/2010		M		2,383	02/25/2010(2)	<u>(2)</u>	Common Stock		
Restricted Stock Units	\$ 0	02/24/2010		A	4,130		02/24/2011(3)	(3)	Common Stock		
Stock Options (Right to Buy)	\$ 25.13						05/25/2005	05/25/2014	Common Stock	1	
Stock Options (Right to Buy)	\$ 27.71						01/03/2006	01/03/2015	Common Stock		
Stock Units (SU)	\$ 0						<u>(4)</u>	<u>(4)</u>	Common Stock	7,3	

Reporting Owners

Reporting Owner Name / Address	Relationships						
. 0	Director	10% Owner	Officer	Other			
WATSON H MITCHELL JR 4000 MERIDIAN BOULEVARD FRANKLIN, TN 37067	X						

Signatures

Rachel A. Seifert, Attorney in Fact for H. Mitchell Watson 02/26/2010

**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 first vesting period for the Phantom Stock Award (reported in Table II) has passed. Accordingly, 1/3 of the total number of the Award (2,383) is issued to the Reporting Person as 2,383 shares of the Common Stock of the Company.
- (2) The Phantom Stock Award vests in 1/3 increments on the first, second and third anniversary of the date of grant (2/25/09). Upon vesting, the Reporting Person will be issued that number of shares of Common stock of the Company.

(3)

Reporting Owners 2

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The Restricted Stock Units vest in 1/3 increments on the first, second and third anniversary date of the date of grant (2/24/2010). Upon vesting, the Reporting Person will be issued that number of shares of the Common Stock of the Company.

(4) The SU were accrued under the Company's Directors Fees Deferral Plan and are settled 100% in the Company's common stock upon cessation as a director or upon a date specified by the director.

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.