

PORTACCI MICHAEL T
Form 4
February 28, 2013

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 *
PORTACCI MICHAEL 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)
02/27/2013

____ Director
 Officer (give title below) _____ 10% Owner
_____ 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 | (D) | Price |
| Common Stock | 02/27/2013 ⁽¹⁾ | | M | | 20,167 | A | \$ 0 |
| Common Stock | 02/27/2013 | | F | | 2,821 | D | \$ 41.71 |
| Common Stock | 02/27/2013 | | M | | 30,000 | A | \$ 32.37 |
| Common Stock | 02/27/2013 | | S | | 78,440 | D | \$ 41.3011 |
| | | | | | | | <u>(2)</u> |

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 |
| Stock Options (Right to Buy) | \$ 32.37 | 02/27/2013 | | M | 30,000 | 02/28/2006 | 02/27/2013 | Common Stock |
| Performance Based Restricted | \$ 0 | 02/27/2013 | | A | 25,000 | 02/27/2014 ⁽³⁾ | 02/26/2023 | 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 | | | | | 02/27/2009 | 02/26/2018 | 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 |
| PORTACCI MICHAEL T 4000 MERIDIAN BOULEVARD FRANKLIN, TN 37067 | | | Division President | |

Signatures

| | |
|---|------------|
| Christopher G. Cobb, Attorney in Fact for Michael T. Portacci | 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.

(2) The shares were sold in a series of transactions at a weighted average price of \$41.3011 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 (3) 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.