

Smith Martin Dewayne
 Form 4
 December 14, 2010

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)
 12/10/2010

____ 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Price | | |
| | | | Code | V | Amount | | |
| Common Stock | 12/10/2010 | | F | | 882 | D | |
| | | | | | \$ 35.89 | | |
| | | | | | 41,619 | D | |

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

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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. 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 Securities (Instr. 3 and 4) | | |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
| | | | | Code | V (A) (D) | Date Exercisable | Expiration Date | Title | Amount or Number of Shares |
| Performance Based Restricted | \$ 0 | | | | | <u>(1)</u> | <u>(1)</u> | Common Stock | 40,000 |
| Stock Options (Right to Buy) | \$ 15.11 | | | | | 12/10/2009 | 12/10/2019 | Common Stock | 6,667 |
| Stock Options (Right to Buy) | \$ 18.18 | | | | | 02/25/2010 | 02/25/2019 | Common Stock | 6,667 |
| Stock Options (Right to Buy) | \$ 33.9 | | | | | 02/24/2011 | 02/24/2020 | Common Stock | 10,000 |
| Stock Options (Right to Buy) | \$ 27.7 | | | | | 05/21/2003 | 05/21/2012 | Common Stock | 2,000 |
| Stock Options (Right to Buy) | \$ 25.7 | | | | | 12/09/2004 | 12/09/2013 | Common Stock | 5,000 |
| Stock Options (Right to Buy) | \$ 25.13 | | | | | 05/25/2005 | 05/25/2014 | Common Stock | 2,000 |
| Stock Options (Right to Buy) | \$ 32.37 | | | | | 02/28/2006 | 02/28/2013 | Common Stock | 5,000 |
| Stock Options | \$ 38.3 | | | | | 03/01/2007 | 03/01/2014 | Common Stock | 3,000 |

(Right to Buy)

| | | | | | |
|------------------------------|----------|------------|------------|--------------|-------|
| Stock Options (Right to Buy) | \$ 37.21 | 02/28/2008 | 02/28/2015 | Common Stock | 1,500 |
|------------------------------|----------|------------|------------|--------------|-------|

| | | | | | |
|------------------------------|----------|------------|------------|--------------|-------|
| Stock Options (Right to Buy) | \$ 32.28 | 02/27/2009 | 02/27/2018 | Common Stock | 1,500 |
|------------------------------|----------|------------|------------|--------------|-------|

| | | | | | |
|------------------------------|----------|------------|------------|--------------|-------|
| Stock Options (Right to Buy) | \$ 40.41 | 07/25/2008 | 07/25/2015 | Common Stock | 8,000 |
|------------------------------|----------|------------|------------|--------------|-------|

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|--|---------------|-----------|--------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Smith Martin Dewayne 4000 MERIDIAN BLVD FRANKLIN, TN 37067 | | | Division President | |

Signatures

Rachel A. Seifert, Attorney in Fact for Martin D. Smith 12/13/2010

__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).

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

- (1) 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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