

WATSON H MITCHELL JR
 Form 4
 February 26, 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 *
WATSON H MITCHELL JR

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)
02/24/2010

Director 10% Owner
 Officer (give title below) Other (specify below)

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	02/25/2010		M	A	2,383	\$ 0 (1)	10,050	D

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. 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 Security (Instr. 3 and 4)
Phantom Stock	\$ 0	02/25/2010		M	2,383	02/25/2010 ⁽²⁾ ⁽²⁾	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
Stock Options (Right to Buy)	\$ 27.71					01/03/2006 01/03/2015	Common Stock
Stock Units (SU)	\$ 0					⁽⁴⁾ ⁽⁴⁾	Common Stock

Reporting Owners

Reporting Owner Name / Address	Relationships			
	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)

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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.

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