

Located in the Nashville, Tennessee, suburb of Franklin, Community Health Systems, Inc. is the largest publicly-traded hospital company in the United States and a leading operator of general acute care hospitals in non-urban and mid-size markets throughout the country. Through its subsidiaries, the Company currently owns, leases or operates 122 hospitals in 29 states with an aggregate of over 18,000 licensed beds. (as of March 1, 2010). Its hospitals offer a broad range of inpatient and surgical services, outpatient treatment and skilled nursing care. In addition, through its QHR subsidiary, the Company provides management and consulting services to over 150 independent non-affiliated general acute care hospitals located throughout the United States.

Shares in Community Health Systems, Inc. are traded on the New York Stock Exchange under the symbol "CYH."







Hospital Locations







Alaska

Palmer, Mat-Su Regional Medical Center

Alabama

Birmingham, Trinity Medical Center Centre, Cherokee Medical Center Dothan, Flowers Hospital Enterprise, Medical Center Enterprise Foley, South Baldwin Regional Medical Center

Fort Payne, DeKalb Regional Medical Center Gadsden, Gadsden Regional Medical Center Greenville, L.V. Stabler Memorial Hospital Huntsville, Crestwood Medical Center

Arkansas

Bentonville, Northwest Medical Center -Bentonville

El Dorado, Medical Center of South Arkansas

Forrest City, Forrest City Medical Center Helena, Helena Regional Medical Center Johnson, Willow Creek Women's Hospital Newport, Harris Hospital

Siloam Springs, Siloam Springs Memorial Hospital

Springdale, Northwest Medical Center -Springdale

Arizona

Bullhead City, Western Arizona Regional Medical Center

Oro Valley, Northwest Medical Center Oro Valley

Payson, Payson Regional Medical Center Tucson, Northwest Medical Center

California

Barstow, Barstow Community Hospital Fallbrook, Fallbrook Hospital Watsonville, Watsonville Community Hospital

Florida

Crestview, North Okaloosa Medical Center Lake Wales, Lake Wales Medical Center

Georgia

Augusta, Trinity Hospital of Augusta Blue Ridge, Fannin Regional Hospital

Illinois

Anna, Union County Hospital Galesburg, Galesburg Cottage Hospital Granite City, Gateway Regional Medical Center

Marion, Heartland Regional Medical Center Mt. Vernon, Crossroads Community Hospital

Red Bud, Red Bud Regional Hospital Waukegan, Vista Medical Center

Indiana

Bluffton, Bluffton Regional Medical Center
Fort Wayne, Dupont Hospital
Fort Wayne, Lutheran Hospital
Fort Wayne, The Orthopaedic Hospital of
the Lutheran Health Network
Fort Wayne, St. Joseph Hospital
Peru, Dukes Memorial Hospital
Porter/Valparaiso, Porter Portage
Hospital Campus and Porter Valparaiso
Hospital Campus

Warsaw, Kosciusko Community Hospital

Kentucky

Fulton, Parkway Regional Hospital Jackson, Kentucky River Medical Center Louisa, Three Rivers Medical Center

Louisiana

Lake Charles, Women and Children's Hospital Leesville, Byrd Regional Hospital Ruston, Northern Louisiana Medical Center

Missour

Kirksville, Northeast Regional Medical Center Moberly, Moberly Regional Medical Center

Mississippi

Hattiesburg, Wesley Medical Center Vicksburg, River Region Health System

North Carolina

Williamston, Martin General Hospital

Nevada

Mesquite, Mesa View Regional Hospital

New Jersey

Salem, The Memorial Hospital of Salem County

New Mexico

Carlsbad, Carlsbad Medical Center Deming, Mimbres Memorial Hospital Hobbs, Lea Regional Medical Center Las Cruces, MountainView Regional Medical Center

Las Vegas, Alta Vista Regional Hospital Roswell, Eastern New Mexico Medical Center

Ohio

Massillon, Affinity Medical Center

Oklahoma

Claremore, Claremore Regional Hospital Oklahoma City, Deaconess Hospital Ponca City, Ponca City Medical Center Tulsa, SouthCrest Hospital Woodward, Woodward Regional Hospital

Oregon

Springfield, McKenzie-Willamette Medical Center

Pennsylvania

Berwick, Berwick Hospital Center Coatesville, Brandywine Hospital Easton, Easton Hospital Lock Haven, Lock Haven Hospital Philadelphia, Chestnut Hill Hospital Phoenixville, Phoenixville Hospital Pottstown, Pottstown Memorial Medical Center

Sunbury, Sunbury Community Hospital West Grove, Jennersville Regional Hospital Wilkes-Barre, Wilkes-Barre General Hospital

South Carolina

Bennettsville, Marlboro Park Hospital Cheraw, Chesterfield General Hospital Florence, Carolinas Hospital System Lancaster, Springs Memorial Hospital Spartanburg, Mary Black Health System

Tennessee

Brownsville, Haywood Park Community Hospital Clarksville, Gateway Medical Center Cleveland, SkyRidge Medical Center Dyersburg, Dyersburg Regional Medical Center

Jackson, Regional Hospital of Jackson
Lexington, Henderson County Community
Hospital

Martin, Volunteer Community Hospital McKenzie, McKenzie Regional Hospital Morristown, Lakeway Regional Hospital Selmer, McNairy Regional Hospital Shelbyville, Heritage Medical Center

Texas

Abilene, Abilene Regional Medical Center Alpine, Big Bend Regional Medical Center Big Spring, Scenic Mountain Medical Center Brownwood, Brownwood Regional Medical Center

Cedar Park, Cedar Park Regional Medical Center

Cleveland, Cleveland Regional Medical Center College Station, College Station Medical Center

Corsicana, Navarro Regional Hospital Granbury, Lake Granbury Medical Center Hillsboro, Hill Regional Hospital Jourdanton, South Texas Regional Medical Center

Laredo, Laredo Medical Center Longview, Longview Regional Medical Center Lufkin, Woodland Heights Medical Center San Angelo, San Angelo Community Medical Center

Victoria, DeTar Hospital North and Navarro Weatherford, Weatherford Regional Medical Center

Utah

Tooele, Mountain West Medical Center

Virginia

Emporia, Southern Virginia Regional Medical Center Franklin, Southampton Memorial Hospital Petersburg, Southside Regional Medical Center

Washington

Spokane, Deaconess Medical Center Spokane Valley, Valley Hospital and Medical Center

West Virginia

Oak Hill, Plateau Medical Center Ronceverte, Greenbrier Valley Medical Center

Wyomin

Evanston, Evanston Regional Hospital

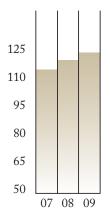
Hospitals are owned or leased and operated by subsidiaries of Community Health Systems, Inc. Community Health Systems, Inc. does not have any employees.

Operating Revenues

(in billions)



Hospitals



Earnings Per Share (diluted)



Financial Highlights

	Υ	Year Ended December 31,		
(In thousands, except per share amounts)		2009	2008	
Operating Results				
Net operating revenues	\$ 12	,107,613	\$ 10,919	,095
Income from continuing operations	\$	304,805	\$ 233	,727
Income per share from continuing operations				
Diluted	\$	2.64	\$	2.11
Weighted average number of shares outstanding:				
Diluted		91,517	94	,289
		As of December 31,		
(In thousands, except per share amounts)		2009	2008	3
Balance Sheet Data				
Working capital	\$ 1	,217,199	\$ 1,095	,633
Total assets	14	,021,472	13,818	,254
Long-term debt	8	,844,638	8,938	,185
Stockholders' equity	1	,950,635	1,611	,029

	For The Year Ended December 31,								
	Consolidated			Same Store					
		2009		2008	% Change	2009		2008	% Change
Selected Operating Data									
Number of hospitals (at end of period)		122		119		119 119			
Licensed beds (at end of period)		18,140		17,411		17,348	17,411		
Beds in service (at end of period)		15,897		15,194		15,200	15,194		
Admissions		692,569		668,526	3.6%	658,215		668,526	-1.5%
Adjusted admissions		1,275,888		1,207,756	5.6%	1,215,606		1,207,750	0.7%
Patient days		2,937,194	2,835,795		2,768,470	2,835,795			
Average length of stay (days)		4.2	4.2		4.2	4.2			
Occupancy rate (average beds in service)		51.3%	52.3%		51.1%		52.3%		
Net operating revenues	\$	12,107,613	\$	10,919,095	10.9%	\$ 11,556,401	\$ 1	10,917,362	5.9%
Net inpatient revenue as a % of									
total net operating revenues		50.1%		50.2%)	49.7%		50.2%	Ó
Net outpatient revenue as a % of									
total net operating revenues		47.6%		47.5%)	48.0%		47.5%	, D
Income from operations	\$	1,068,665	\$	971,880	10.0%	\$ 1,078,969	\$	969,737	11.3%
Income from operations as a									
% of net operating revenues		8.8%		8.9%)	9.3%		8.9%	ò
Depreciation and amortization	\$	566,211	\$	499,386		\$ 545,408	\$	499,386	
Equity in earnings of									
unconsolidated affiliates	\$	(36,521)	\$	(42,063)		\$ (36,145)	\$	(43,777)	
Liquidity Data:									
Adjusted EBITDA	\$	1,671,397	\$	1,513,329	10.4%				
Adjusted EBITDA as a % of net									
operating revenues		13.8%		13.9%)				
Net cash provided by operating activities	\$	1,076,429	\$	1,056,581					
Net cash provided by operating activities a	ıs								
a % of net operating revenues		8.9%		9.7%)				

Letter to Shareholders:

While 2009 was a year of many challenges, it marked another year of growth and progress for Community Health Systems, Inc. and its subsidiaries. We are especially pleased with our financial and operating performance given an economic environment that was unprecedented in recent history. Given these challenges, we have placed an even greater emphasis on what has defined our Company and positioned Community Health Systems, Inc. at the top of our industry – an unrelenting focus on remaining true to our core values and our mission of providing essential healthcare services close to home - where they should be. Above all, we have worked even harder to build upon the strong relationships with the communities we serve and we are proud of the reputation we have earned as a trusted partner and consistent and effective operator.

As part of our focus on high quality healthcare services, we developed a program we call Community Cares. This program helps create a culture of operational excellence incorporating leadership expectations with service and quality standards across the organization. Our expected outcome – to create great places for patients to receive care, physicians to practice medicine and employees to work. Recent surveys show that this standardized and centralized program is working. Physician satisfaction surveys have shown a five percent improvement in satisfaction and we have seen a six percent improvement in our employee satisfaction results. We also initiated an hourly rounding program for our nursing staff, as well as a discharge call back program in our Emergency Department. All of these efforts advance our commitment to deliver personalized, caring and efficient service to our patients.

Clinical excellence and quality matter at Community Health Systems. We are required to report standards of care in the form of core measures on a quarterly basis. These measures track a variety of evidence-based standards of care that have been shown to improve clinical outcomes. Since core measures were implemented in 2007, we have seen consistent and measurable quarterly improvements.

Our financial results for 2009 also give us confidence that our strategies are working. Revenues for the year were a record \$12.1 billion, surpassing the previous year's record of \$10.9 billion by eleven percent. We produced 25 percent growth in earnings from continuing operations for 2009 to \$2.64 per diluted share from \$2.11 per diluted share the prior year. Our results also reflect the success of our centralized operating strategy as evidenced by six percent annual same-store revenue growth and solid margin expansion.

While we are proud of our financial accomplishments, we believe our proven ability to enhance the level of healthcare in the communities we serve is the determining measure of our success. We have continued to focus on operational excellence at the individual hospital level in all of our markets, especially at our more recently acquired facilities. Our success as an operator is supported by a proven standardized business model that leverages the size and scope of our operations to drive both economies of scale and effectively utilize our capital. Year after year, and even in challenging market conditions, we have continued to drive efficiencies, recruit and retain qualified physicians, and implement best practices in all of our hospitals.

In conjunction with our focus on operations, we made significant capital investments in 2009 to enhance the level of healthcare and improve the patient experience in certain markets. Each of our hospitals is characterized by its own unique strengths and challenges as it seeks to serve the needs of its respective community. At the same time, we see opportunity in these markets and believe our ongoing commitment to make the appropriate



As we acknowledge our many accomplishments in 2009, we are also incredibly proud of the dedication and commitment to excellence reflected in our hospitals across the country.

WAYNE T. SMITH

capital investments for organic growth has continued to drive market share expansion. In 2009, we spent over \$577 million on major capital improvement projects, including emergency department renovations, surgical suite expansions and diagnostic radiology projects. These investments are commensurate with our mission to enhance the local hospital facilities and capture more healthcare dollars in the communities we serve.

The most fundamental relationship in healthcare rests between the doctor and the patient. With this in mind, we clearly recognize the vital role that physicians play in ensuring the success of a local community hospital and keeping healthcare services close to home. At Community Health Systems, we place a high emphasis on identifying and recruiting qualified physicians to join our medical staffs. Our efforts paid off in 2009 as we added a record 1,679 new physicians, including a high ratio of clinical specialists, to our roster.

Since inception, Community Health Systems has consistently identified new market opportunities and moved to make suitable hospital acquisitions. Over time, these acquisitions have fueled our growth with a proven track record of improving both the financial results and the overall quality of our acquired facilities. Following the acquisition of 50 hospitals in 2007, we tempered the pace of our acquisition strategy and focused more intently on successfully integrating those facilities and driving additional value from our existing markets. However, we have continued to assess selective market opportunities as they present themselves. Our market assessment led us to complete the acquisition of three additional hospital facilities in 2009. Additionally, at the end of 2009, a subsidiary entered into an affiliation agreement with Rockwood Clinic, P.S., a multi-specialty clinic with 32 locations across the Inland Northwest region of the State of Washington. Rockwood Clinic employs over 130 physicians offering care in more than

30 medical specialties. This affiliation agreement presents an exciting opportunity to lay the groundwork for a fully-integrated healthcare delivery system that will expand and further enhance the quality of healthcare services available to residents of this region. While we will continue to pursue similar market opportunities, our primary focus for 2010 will be on leveraging our existing assets and improving our operations by executing on the key areas for success in our business – an effective centralized operating model, disciplined expense management, a successful physician recruitment program, and strategic capital investments.

As we acknowledge our many accomplishments in 2009, we are also incredibly proud of the dedication and commitment to excellence reflected in our hospitals across the country. We are very grateful to the many people associated with Community Health Systems – our proven management team and board of directors, and especially our unrivaled team of dedicated physicians, nurses and all other hospital employees who continue to aspire to the highest standard of care. We must also thank the people who live and work in the communities we serve — for giving us the opportunity to earn their trust every day.

While we acknowledge the changing dynamics in today's healthcare marketplace, we remain confident in our ability to execute and look forward to the year ahead for Community Health Systems. Finally, we thank our fellow stockholders for the support your investment provides.

Sincerely,

Wayne T. Smith

Chairman of the Board,

President and Chief Executive Officer

Board of Directors and Officers / Community Health Systems, Inc.

Board of Directors

Wayne T. Smith

Chairman of the Board President and Chief Executive Officer

W. Larry Cash

Executive Vice President and Chief Financial Officer

John A. Clerico (1) (2)

Co-founder and Chairman ChartMark Investments, Inc. James S. Ely, III (1)

Founder and Chief Executive Officer Priority Capital Management LLC.

John A. Fry (1) (3)

President

Franklin & Marshall College

William N. Jennings, M.D. (3)

Former Managing Partner Southend Medical Clinic

Harvey Klein, M.D. (3)

Professor of Clinical Medicine Cornell University Medical College Julia B. North (2) (3)

Former President – Consumer Services BellSouth Telecommunications

H. Mitchell Watson, Jr. (1) (2)

Former President and Chief Executive Officer ROLM Company

(1) Member of the Audit and Compliance Committee

- (2) Member of the Compensation Committee
- (3) Member of the Governance and Nominating Committee

Officers

Wayne T. Smith

Chairman of the Board President and Chief Executive Officer

W. Larry Cash

Executive Vice President and Chief Financial Officer

Rachel A. Seifert

Executive Vice President, Secretary and General Counsel

William S. Hussey

President - Division IV Operations

David L. Miller

President - Division I Operations

Thomas D. Miller

President - Division V Operations

Michael T. Portacci

President - Division II Operations

Martin D. Smith

President - Division III Operations

T. Mark Buford

Senior Vice President and Chief Accounting Officer

Larry M. Carlton

Senior Vice President – Revenue Management

Kenneth D. Hawkins

Senior Vice President – Acquisitions and Development

Carolyn S. Lipp

Senior Vice President – Quality and Resource Management

Barbara R. Paul, M.D.

Senior Vice President and Chief Medical Officer

Martin G. Schweinhart

Senior Vice President - Operations

J. Gary Seay

Senior Vice President and Chief Information Officer

James W. Doucette

Vice President and Treasurer

Robert A. Horrar

Vice President - Administration

Robert O. Horrar

Vice President – Business Development

Tim G. Marlette

Vice President - Materials Management

Kathie G. Thomas

President – Home Health Services

Gerald A. Weissman

Vice President - Medical Staff Development

This Annual Report contains forward looking statements made pursuant to the "safe-harbor" provisions of the Private Securities Litigation Reform Act of 1995. Important factors that could cause our actual results to differ materially from the results contemplated by the forward looking statements are contained in our Annual Report on Form 10-K filed with the Securities and Exchange Commission(the "SEC") and included with this Annual Report and in subsequent filings with the SEC.

Corporate Information / Community Health Systems, Inc.

Corporate Office

Community Health Systems, Inc. 4000 Meridian Boulevard Franklin, TN 37067 (615) 465-7000 www.chs.net

Form 10-K/Investor Contact

A copy of the Company's Annual Report on Form 10-K, filed with the Securities and Exchange Commission, may be obtained from the Company at no charge. Requests for the Annual Report on Form 10-K and other investor information should be directed to Investor Relations at the Company's corporate office or at www.chs.net.

Registrar and Transfer Agent

Registrar and Transfer Company 10 Commerce Drive Cranford, NJ 07016 800-368-5948

Independent Auditors

Deloitte & Touche LLP Nashville, TN

Annual Stockholders' Meeting

The annual meeting of stockholders will be held on Tuesday, May 18, 2010, at 8:00 a.m. local time at The St. Regis Hotel, 2 East 55th Street, New York, NY.

Common Stock Information

The Company's common stock trades on the New York Stock Exchange under the symbol CYH. As of March 31, 2010, Community Health Systems had approximately 40 stockholders of record and 35,200 beneficial holders of its common stock. To date, the Company has not paid cash dividends on its common stock.

The following table sets forth the high and low sales price information as reported by the New York Stock Exchange during the period indicated.

Stock Price

2009	High	Low
First Quarter	\$21.60	\$12.96
Second Quarter	\$28.79	\$13.95
Third Quarter	\$35.50	\$24.42
Fourth Quarter	\$38.00	\$29.35
2000	T T' 1	т

2008	High	Low
First Quarter	\$36.85	\$29.79
Second Quarter	\$40.05	\$32.40
Third Quarter	\$36.81	\$28.24
Fourth Quarter	\$28.38	\$10.47

