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

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d)
of The Securities Exchange Act of 1934

Date of Report (date of earliest event reported): August 2, 2016

COMMUNITY HEALTH SYSTEMS, INC.
(Exact name of registrant as specified in its charter)

Delaware	001-15925	13-3893191
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

4000 Meridian Boulevard
Franklin, Tennessee 37067
(Address of principal executive offices)

Registrant's telephone number, including area code: (615) 465-7000

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

The information contained in this Current Report on Form 8-K (including the exhibits hereto) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in any such filing.

ITEM 2.02 Results of Operations and Financial Condition

On August 2, 2016, Community Health Systems, Inc. (the "Company") announced operating results for the second quarter ended June 30, 2016. A copy of the press release making this announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 2.02.

ITEM 7.01 Regulation FD Disclosure

The press release referred to in Item 2.02 above also includes the Company's updated 2016 annual earnings guidance. The 2016 guidance is based on the Company's historical operating performance, current trends and other assumptions the Company believes are reasonable at this time as set forth on pages 16, 17, 18 and 19 of the press release. A copy of the press release making this announcement is attached as Exhibit 99.1 to this Current Report on Form 8-K and is incorporated by reference into this Item 7.01.

ITEM 9.01 Financial Statements and Exhibits

(d) Exhibits

The following exhibit is furnished herewith:

Exhibit Number	Description
99.1	Community Health Systems, Inc. Press Release, dated August 2, 2016.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this Report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: August 2, 2016

COMMUNITY HEALTH SYSTEMS, INC.
(Registrant)

By: /s/ Wayne T. Smith
Wayne T. Smith
Chairman of the Board and Chief Executive Officer
(principal executive officer)

By: /s/ W. Larry Cash
W. Larry Cash
President of Financial Services, Chief Financial Officer
and Director
(principal financial officer)

By: /s/ Kevin J. Hammons
Kevin J. Hammons
Senior Vice President and Chief Accounting Officer
(principal accounting officer)

Index to Exhibits

Exhibit Number	Description
99.1	Community Health Systems, Inc. Press Release, dated August 2, 2016.

CHS COMMUNITY HEALTH SYSTEMS, INC.

Exhibit Number
99.1

Investor Contact: W. Larry Cash
President of Financial Services
and Chief Financial Officer
(615) 465-7000

**COMMUNITY HEALTH SYSTEMS, INC. ANNOUNCES
SECOND QUARTER 2016 RESULTS WITH NET OPERATING REVENUES OF $4.590 BILLION**

FRANKLIN, Tenn. (August 2, 2016) - Community Health Systems, Inc. (NYSE: CYH) (the "Company") today announced financial and operating results for the three and six months ended June 30, 2016.

On April 29, 2016, the Company completed the spin-off of Quorum Health Corporation ("QHC"), comprised of 38 affiliated hospitals and related outpatient services in 16 states, together with Quorum Health Resources, LLC, a subsidiary providing management advisory and consulting services to non-affiliated hospitals. Following the spin-off, QHC became an independent public company with its common stock listed for trading under the symbol "QHC" on the New York Stock Exchange. Financial and statistical data reported in this earnings release include QHC operating results through the spin-off date. Same-store operating results and statistical data exclude information for the hospitals divested in the spin-off of QHC in both the 2016 periods and the comparable periods in 2015.

Net operating revenues for the three months ended June 30, 2016, totaled $4.590 billion, a 6.0 percent decrease compared with $4.882 billion for the same period in 2015. Income from continuing operations attributable to Community Health Systems, Inc. common stockholders decreased to a loss of $(1.431) billion, or $(12.90) per share (diluted), for the three months ended June 30, 2016, compared with income from continuing operations of $117 million, or $1.01 per share (diluted), for the same period in 2015. During the three months ended June 30, 2016, the Company recorded a non-cash impairment charge of $1.400 billion to reduce the value of goodwill for the Company's hospital reporting unit; a charge of $169 million to reduce the value of long-lived assets at certain hospitals that the Company is currently marketing for sale; and a charge of $70 million to reduce the value of long-lived assets at certain under-performing hospitals. The impairment charge recorded for goodwill is an estimated charge resulting from a determination that the carrying value of the Company's hospital operations reporting unit exceeded its fair value, primarily as the result of the decline in the Company's market capitalization and fair value of long-term debt during the three months ended June 30, 2016, as well as a decrease in the estimated future earnings of the Company compared to previous estimates. These impairment charges do not have an impact on the calculation of the Company's financial covenants under the Company's Credit Facility. The results for the three months ended June 30, 2016, included the loss of $(13.29) per share (diluted) related to impairment of goodwill and long-lived assets, loss of $(0.18) per share (diluted) from early extinguishment of debt and loss of $(0.07) per share (diluted) related to expenses from the spin-off of QHC, which were partially offset by income of $0.54 per share (diluted) related to the gain on sale of investments in unconsolidated affiliates in connection with the Company's sale of its minority equity interests in five hospitals located in Las Vegas, Nevada, on April 29, 2016. Excluding these items, income from continuing operations was $0.09 per share (diluted).

Net income attributable to Community Health Systems, Inc. common stockholders was a loss of $(12.91) per share (diluted) for the three months ended June 30, 2016, compared with income of $0.95 per share (diluted) for the same period in 2015. Discontinued operations for the three months ended June 30, 2016, consisted of $(0.01) per share (diluted) of losses from operations of entities sold or held for sale for a total after-tax loss of approximately $(1) million or $(0.01) per share (diluted). Weighted-average shares outstanding (diluted) were 111 million for the three months ended June 30, 2016, and 116 million for the three months ended June 30, 2015.

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Net cash provided by operating activities for the three months ended June 30, 2016, was $338 million compared with $565 million for the same period in 2015, representing a 40.2 percent decrease. Adjusted EBITDA for the three months ended June 30, 2016, was $563 million compared with $769 million for the same period in 2015, representing a 26.8 percent decrease.

The consolidated operating results for the three months ended June 30, 2016, reflect a 9.1 percent decrease in total admissions, and an 8.5 percent decrease in total adjusted admissions, compared with the same period in 2015. On a same-store basis, admissions decreased 2.1 percent and adjusted admissions decreased 0.6 percent during the three months ended June 30, 2016, compared with the same period in 2015. On a same-store basis, net operating revenues increased 1.2 percent during the three months ended June 30, 2016, compared with the same period in 2015.

Net operating revenues for the six months ended June 30, 2016, totaled $9.589 billion, a 2.1 percent decrease compared with $9.793 billion for the same period in 2015. Income from continuing operations attributable to Community Health Systems, Inc. common stockholders decreased to a loss of $(1.418) billion, or $(12.82) per share (diluted), for the six months ended June 30, 2016, compared with income from continuing operations of $209 million, or $1.80 per share (diluted), for the same period in 2015. The results for the six months ended June 30, 2016, included the loss of $(13.45) per share (diluted) related to impairment of goodwill and long-lived assets, loss of $(0.18) per share (diluted) from early extinguishment of debt and loss of $(0.09) per share (diluted) related to expenses from the spin-off of QHC, which were partially offset by income of $0.54 per share (diluted) related to the gain on sale of investments in unconsolidated affiliates, as noted above. Excluding these items, income from continuing operations was $0.36 per share (diluted).

Net income attributable to Community Health Systems, Inc. common stockholders was a loss of $(12.85) per share (diluted) for the six months ended June 30, 2016, compared with income of $1.64 per share (diluted) for the same period in 2015. Discontinued operations for the six months ended June 30, 2016, consisted of $(0.02) per share (diluted) of losses from operations of entities sold or held for sale and $(0.01) per share (diluted) of expenses related to the impairment of long-lived assets held for sale, for a total after-tax loss of approximately $(3) million, or $(0.03) per share (diluted). Weighted-average shares outstanding (diluted) were 111 million for the six months ended June 30, 2016, and 116 million for the six months ended June 30, 2015.

Net cash provided by operating activities for the six months ended June 30, 2016, was $632 million compared with $504 million for the same period in 2015, representing a 25.4 percent increase. Adjusted EBITDA for the six months ended June 30, 2016, was $1.196 billion compared with $1.483 billion for the same period in 2015, representing a 19.4 percent decrease.

The consolidated operating results for the six months ended June 30, 2016, reflect a 5.7 percent decrease in total admissions, and a 3.9 percent decrease in total adjusted admissions, compared with the same period in 2015. On a same-store basis, admissions decreased 2.1 percent while adjusted admissions increased 0.4 percent during the six months ended June 30, 2016, compared with the same period in 2015. On a same-store basis, net operating revenues increased 1.8 percent during the six months ended June 30, 2016, compared with the same period in 2015.

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Adjusted EBITDA, a non-GAAP financial measure, is EBITDA adjusted to exclude discontinued operations, loss from early extinguishment of debt, impairment of goodwill and long-lived assets, gain on sale of investments in unconsolidated affiliates, net income attributable to noncontrolling interests, acquisition and integration expenses from the acquisition of Health Management Associates, Inc. ("HMA"), expenses incurred related to the spin-off of QHC, expense (income) related to government legal settlements and related costs, and expense (income) from fair value adjustments related to the HMA legal proceedings, accounted for at fair value, underlying the CVR agreement, and related legal expenses. For information regarding why the Company believes Adjusted EBITDA presents useful information to investors, and for a reconciliation of Adjusted EBITDA to net cash provided by operating activities, see footnote (e) to the Financial Highlights, Financial Statements and Selected Operating Data below.

Commenting on the results, Wayne T. Smith, chairman and chief executive officer of Community Health Systems, Inc., said, "During the second quarter, we completed the successful spin-off of Quorum Health Corporation. Additional divestiture activity is underway as part of our portfolio rationalization strategy, which we believe will ultimately produce a higher performing, more sustainable group of hospitals and outpatient services. We also revised our organization structure and promoted key leaders into new roles. While our operating performance fell short of expectations this period, our management team and local operators are aggressively pursuing key initiatives and growth opportunities in markets where we believe we have the greatest potential to generate better operational and financial results."

Included on pages 16, 17, 18 and 19 of this press release are tables setting forth the Company's updated 2016 annual earnings guidance. The 2016 guidance is based on the Company's historical operating performance, current trends and other assumptions that the Company believes are reasonable at this time, and reflects the impact of the spin-off of QHC and other planned divestitures that the Company expects to occur in 2016.

Community Health Systems, Inc. is one of the largest publicly traded hospital companies in the United States and a leading operator of general acute care hospitals in communities across the country. After giving effect to the spin-off noted above, the Company, through its subsidiaries, owns, leases or operates 159 affiliated hospitals in 22 states with an aggregate of nearly 27,000 licensed beds.

The Company's headquarters are located in Franklin, Tennessee, a suburb south of Nashville. Shares in Community Health Systems, Inc. are traded on the New York Stock Exchange under the symbol "CYH." More information about the Company can be found on its website at www.chs.net.

Community Health Systems, Inc. will hold a conference call on Wednesday, August 3, 2016, at 10:00 a.m. Central, 11:00 a.m. Eastern, to review financial and operating results for the second quarter ended June 30, 2016. Investors will have the opportunity to listen to a live internet broadcast of the conference call by clicking on the Investor Relations link of the Company's website at www.chs.net. To listen to the live call, please go to the website at least fifteen minutes early to register, download and install any necessary audio software. For those who cannot listen to the live broadcast, a replay will be available shortly after the call and will continue to be available through September 3, 2016. Copies of this press release and conference call slide show, as well as the Company's Current Report on Form 8-K (including this press release), will be available on the Company's website at www.chs.net.

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COMMUNITY HEALTH SYSTEMS, INC. AND SUBSIDIARIES
Financial Highlights (a)(b)(c)(d)
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net operating revenues	$ 4,590	$4,882	$ 9,589	$9,793
(Loss) income from continuing operations (f), (i), (k)	(1,405)	140	(1,368)	252
Net (loss) income attributable to Community Health Systems, Inc. stockholders	(1,432)	111	(1,421)	189
Adjusted EBITDA (e)	563	769	1,196	1,483
Net cash provided by operating activities	338	565	632	504
Basic (loss) earnings per share attributable to Community Health Systems, Inc. common stockholders:				
Continuing operations (f), (i)	$(12.90)	$ 1.02	$(12.82)	$ 1.82
Discontinued operations	(0.01)	(0.06)	(0.03)	(0.17)
Net (loss) income	$(12.91)	$ 0.96	$(12.85)	$ 1.65
Diluted (loss) earnings per share attributable to Community Health Systems, Inc. common stockholders (l):				
Continuing operations (f), (h), (i)	$(12.90)	$ 1.01	$(12.82)	$ 1.80
Discontinued operations	(0.01)	(0.06)	(0.03)	(0.17)
Net (loss) income (h)	$(12.91)	$ 0.95	$(12.85)	$ 1.64
Weighted-average number of shares outstanding (g):				
Basic	111	115	111	115
Diluted	111	116	111	116

For footnotes, see pages 12, 13, 14 and 15.

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COMMUNITY HEALTH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of (Loss) Income (a)(b)(c)(d)
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended June 30,			
	2016		2015	
	Amount	% of Net Operating Revenues	Amount	% of Net Operating Revenues
Operating revenues (net of contractual allowances and discounts)	$ 5,290		$5,614	
Provision for bad debts	700		732	
Net operating revenues	4,590	100.0 %	4,882	100.0 %
Operating costs and expenses:				
Salaries and benefits	2,154	46.9 %	2,217	45.4 %
Supplies	759	16.6 %	750	15.4 %
Other operating expenses	1,056	23.1 %	1,125	23.0 %
Government settlement and related costs (j)	—	— %	(6)	(0.1)%
Electronic health records incentive reimbursement	(31)	(0.7)%	(55)	(1.1)%
Rent	112	2.4 %	113	2.3 %
Depreciation and amortization	276	6.0 %	291	6.0 %
Impairment of goodwill and long-lived assets (i)	1,639	35.7 %	6	0.1 %
Total operating costs and expenses	5,965	130.0 %	4,441	91.0 %
(Loss) income from operations (f), (i)	(1,375)	(30.0)%	441	9.0 %
Interest expense, net	246	5.4 %	239	4.9 %
Loss from early extinguishment of debt	30	0.7 %	9	0.2 %
Gain on sale of investments in unconsolidated affiliates (k)	(94)	(2.1)%	—	— %
Equity in earnings of unconsolidated affiliates	(14)	(0.4)%	(21)	(0.4)%
(Loss) income from continuing operations before income taxes	(1,543)	(33.6)%	214	4.3 %
(Benefit from) provision for income taxes	(138)	(3.0)%	74	1.5 %
(Loss) income from continuing operations (f), (i), (k)	(1,405)	(30.6)%	140	2.8 %
Discontinued operations, net of taxes:				
Loss from operations of entities sold or held for sale	(1)	(0.0)%	(6)	(0.1)%
Loss from discontinued operations, net of taxes	(1)	— %	(6)	(0.1)%
Net (loss) income	(1,406)	(30.6)%	134	2.7 %
Less: Net income attributable to noncontrolling interests	26	0.6 %	23	0.4 %
Net (loss) income attributable to Community Health Systems, Inc. stockholders	$(1,432)	(31.2)%	$ 111	2.3 %
Basic (loss) earnings per share attributable to Community Health Systems, Inc. common stockholders:				
Continuing operations (f), (i), (k)	$(12.90)		$ 1.02	
Discontinued operations	(0.01)		(0.06)	
Net (loss) income	$(12.91)		$ 0.96	
Diluted (loss) earnings per share attributable to Community Health Systems, Inc. common stockholders:				
Continuing operations (f), (h), (i), (k)	$(12.90)		$ 1.01	
Discontinued operations	(0.01)		(0.06)	
Net (loss) income (h)	$(12.91)		$ 0.95	
Weighted-average number of shares outstanding (g):				
Basic	111		115	
Diluted	111		116	

For footnotes, see pages 12, 13, 14 and 15.

COMMUNITY HEALTH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of (Loss) Income (a)(b)(c)(d)
(In millions, except per share amounts)
(Unaudited)

	Six Months Ended June 30,			
	2016		2015	
	Amount	% of Net Operating Revenues	Amount	% of Net Operating Revenues
Operating revenues (net of contractual allowances and discounts)	$11,044		$11,260	
Provision for bad debts	1,455		1,467	
Net operating revenues	9,589	100.0 %	9,793	100.0 %
Operating costs and expenses:				
Salaries and benefits	4,470	46.6 %	4,474	45.7 %
Supplies	1,559	16.3 %	1,512	15.4 %
Other operating expenses	2,229	23.2 %	2,225	22.8 %
Government settlement and related costs (j)	1	0.0 %	1	0.0 %
Electronic health records incentive reimbursement	(49)	(0.5)%	(81)	(0.8)%
Rent	231	2.4 %	229	2.3 %
Depreciation and amortization	574	6.0 %	587	6.0 %
Impairment of goodwill and long-lived assets (i)	1,656	17.3 %	6	0.1 %
Total operating costs and expenses	10,671	111.3 %	8,953	91.5 %
(Loss) income from operations (f), (i)	(1,082)	(11.3)%	840	8.5 %
Interest expense, net	496	5.2 %	481	4.8 %
Loss from early extinguishment of debt	30	0.3 %	16	0.2%
Gain on sale of investments in unconsolidated affiliates (k)	(94)	(1.0)%	—	— %
Equity in earnings of unconsolidated affiliates	(34)	(0.4)%	(39)	(0.4)%
(Loss) income from continuing operations before income taxes	(1,480)	(15.4)%	382	3.9 %
(Benefit from) provision for income taxes	(112)	(1.1)%	130	1.3 %
(Loss) income from continuing operations (f), (i), (k)	(1,368)	(14.3)%	252	2.6 %
Discontinued operations, net of taxes:				
Loss from operations of entities sold or held for sale	(2)	(0.0)%	(17)	(0.2)%
Impairment of hospitals sold or held for sale	(1)	(0.0)%	(2)	(0.0)%
Loss on sale, net	—	— %	(1)	(0.0)%
Loss from discontinued operations, net of taxes	(3)	(0.0)%	(20)	(0.2)%
Net (loss) income	(1,371)	(14.3)%	232	2.4 %
Less: Net income attributable to noncontrolling interests	50	0.5 %	43	0.5 %
Net (loss) income attributable to Community Health Systems, Inc. stockholders	$ (1,421)	(14.8)%	$ 189	1.9 %
Basic (loss) earnings per share attributable to Community Health Systems, Inc. common stockholders:				
Continuing operations (f), (i), (k)	$ (12.82)		$ 1.82	
Discontinued operations	(0.03)		(0.17)	
Net (loss) income	$ (12.85)		$ 1.65	
Diluted (loss) earnings per share attributable to Community Health Systems, Inc. common stockholders (l):				
Continuing operations (f), (h), (i), (k)	$ (12.82)		$ 1.80	
Discontinued operations	(0.03)		(0.17)	
Net (loss) income (h)	$ (12.85)		$ 1.64	
Weighted-average number of shares outstanding (g):				
Basic	111		115	
Diluted	111		116	

For footnotes, see pages 12, 13, 14 and 15.

COMMUNITY HEALTH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Comprehensive (Loss) Income
(In millions)
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net (loss) income	$ (1,406)	$ 134	$ (1,371)	$ 232
Other comprehensive (loss) income, net of income taxes:				
Net change in fair value of interest rate swaps, net of tax	(2)	8	(21)	(1)
Net change in fair value of available-for-sale securities, net of tax	(3)	(2)	(1)	(1)
Amortization and recognition of unrecognized pension cost components, net of tax	2	—	3	1
Other comprehensive (loss) income	(3)	6	(19)	(1)
Comprehensive (loss) income	(1,409)	140	(1,390)	231
Less: Comprehensive income attributable to noncontrolling interests	26	23	50	43
Comprehensive (loss) income attributable to Community Health Systems, Inc. stockholders	$ (1,435)	$ 117	$ (1,440)	$ 188

For footnotes, see pages 12, 13, 14 and 15.

COMMUNITY HEALTH SYSTEMS, INC. AND SUBSIDIARIES
Selected Operating Data (a)(c)
(Dollars in millions)
(Unaudited)

	Three Months Ended June 30,					
	Consolidated			Same-Store		
	2016	2015	% Change	2016	2015	% Change
Number of hospitals (at end of period)	156	196		153	153	
Licensed beds (at end of period)	26,366	29,964		26,065	26,177	
Beds in service (at end of period)	23,371	26,206		23,206	23,112	
Admissions	212,259	233,517	-9.1%	202,702	207,091	-2.1%
Adjusted admissions	468,087	511,456	-8.5%	444,270	446,912	-0.6%
Patient days	947,492	1,033,244		909,067	928,935	
Average length of stay (days)	4.5	4.4		4.5	4.5	
Occupancy rate (average beds in service)	42.5%	43.0%		42.8%	43.8%	
Net operating revenues	$ 4,590	$ 4,882	-6.0%	$ 4,339	$ 4,286	1.2%
Net inpatient revenues as a % of net patient revenues before provision for bad debts	42.8%	42.4%		43.0%	42.4%	
Net outpatient revenues as a % of net patient revenues before provision for bad debts	57.2%	57.6%		57.0%	57.6%	
(Loss) income from operations (f), (i)	$ (1,375)	$ 441	-411.8%			
(Loss) income from operations as a % of net operating revenues	-30.0%	9.0%				
Depreciation and amortization	$ 276	$ 291				
Equity in earnings of unconsolidated affiliates	$ (14)	$ (21)				
Liquidity Data:						
Adjusted EBITDA (e)	$ 563	$ 769	-26.8%			
Adjusted EBITDA as a % of net operating revenues	12.3%	15.8%				
Net cash provided by operating activities	$ 338	$ 565	-40.2%			
Net cash provided by operating activities as a % of net operating revenues	7.4%	11.6%				

For footnotes, see pages 12, 13, 14 and 15.

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COMMUNITY HEALTH SYSTEMS, INC. AND SUBSIDIARIES
Selected Operating Data (a)(c)
(Dollars in millions)
(Unaudited)

	Six Months Ended June 30,					
	Consolidated			Same-Store		
	2016	2015	% Change	2016	2015	% Change
Number of hospitals (at end of period)	156	196		153	153	
Licensed beds (at end of period)	26,366	29,964		26,065	26,177	
Beds in service (at end of period)	23,371	26,206		23,206	23,112	
Admissions	451,959	479,532	-5.7%	416,539	425,319	-2.1%
Adjusted admissions	981,406	1,021,309	-3.9%	896,539	892,982	0.4%
Patient days	2,023,718	2,160,321		1,881,309	1,942,759	
Average length of stay (days)	4.5	4.5		4.5	4.6	
Occupancy rate (average beds in service)	43.8%	45.0%		44.4%	45.9%	
Net operating revenues	$ 9,589	$ 9,793	-2.1%	$ 8,763	$ 8,607	1.8%
Net inpatient revenues as a % of net patient revenues before provision for bad debts	43.4%	43.3%		43.4%	43.3%	
Net outpatient revenues as a % of net patient revenues before provision for bad debts	56.6%	56.7%		56.6%	56.7%	
(Loss) income from operations (f), (i)	$ (1,082)	$ 840	-228.8%			
(Loss) income from operations as a % of net operating revenues	-11.3%	8.5%				
Depreciation and amortization	$ 574	$ 587				
Equity in earnings of unconsolidated affiliates	$ (34)	$ (39)				
Liquidity Data:						
Adjusted EBITDA (e)	$ 1,196	$ 1,483	-19.4%			
Adjusted EBITDA as a % of net operating revenues	12.5%	15.1%				
Net cash provided by operating activities	$ 632	$ 504	25.4%			
Net cash provided by operating activities as a % of net operating revenues	6.6%	5.1%				

For footnotes, see pages 12, 13, 14 and 15.

COMMUNITY HEALTH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Balance Sheets (b)
(In millions, except share data)
(Unaudited)

	June 30, 2016	December 31, 2015
ASSETS		
Current assets		
Cash and cash equivalents	$ 461	$ 184
Patient accounts receivable, net of allowance for doubtful accounts of $3,732 and $4,110 at June 30, 2016 and December 31, 2015, respectively	3,179	3,611
Supplies	527	580
Prepaid income taxes	33	27
Prepaid expenses and taxes	217	197
Other current assets (including assets of hospitals held for sale of $5 and $17 at June 30, 2016 and December 31, 2015, respectively)	425	567
Total current assets	4,842	5,166
Property and equipment	13,364	14,906
Less accumulated depreciation and amortization	(4,409)	(4,794)
Property and equipment, net	8,955	10,112
Goodwill	6,926	8,965
Other assets, net (including assets of hospitals held for sale of $26 and $41 at June 30, 2016 and December 31, 2015, respectively)	1,709	2,352
Total assets	$ 22,432	$ 26,595
LIABILITIES AND EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 253	$ 229
Accounts payable	979	1,258
Accrued interest	208	227
Accrued liabilities (including liabilities of hospitals held for sale of $3 and $6 at June 30, 2016 and December 31, 2015, respectively)	1,288	1,358
Total current liabilities	2,728	3,072
Long-term debt	15,110	16,556
Deferred income taxes	388	593
Other long-term liabilities	1,658	1,698
Total liabilities	19,884	21,919
Redeemable noncontrolling interests in equity of consolidated subsidiaries	546	571
EQUITY		
Community Health Systems, Inc. stockholders' equity:		
Preferred stock, $.01 par value per share, 100,000,000 shares authorized; none issued	—	—
Common stock, $.01 par value per share, 300,000,000 shares authorized; 113,643,956 shares issued and outstanding at June 30, 2016, and 113,732,933 shares issued and 112,757,384 shares outstanding at December 31, 2015	1	1
Additional paid-in capital	1,965	1,963
Treasury stock, at cost, no shares at June 30, 2016 and 975,549 shares at December 31, 2015	—	(7)
Accumulated other comprehensive loss	(90)	(73)
Retained earnings	19	2,135
Total Community Health Systems, Inc. stockholders' equity	1,895	4,019
Noncontrolling interests in equity of consolidated subsidiaries	107	86
Total equity	2,002	4,105
Total liabilities and equity	$ 22,432	$ 26,595

For footnotes, see pages 12, 13, 14 and 15.

COMMUNITY HEALTH SYSTEMS, INC. AND SUBSIDIARIES
Condensed Consolidated Statements of Cash Flows (b)
(In millions)
(Unaudited)

	Six Months Ended June 30, 2016	Six Months Ended June 30, 2015
Cash flows from operating activities		
Net (loss) income	$ (1,371)	$ 232
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	574	588
Government settlement and related costs (j)	1	1
Stock-based compensation expense	26	30
Loss on sale, net	—	1
Impairment of hospitals sold or held for sale	1	2
Impairment of goodwill and long-lived assets (i)	1,656	6
Loss from early extinguishment of debt	30	16
Gain on sale of investments in unconsolidated affiliates	(94)	—
Other non-cash expenses, net	22	(1)
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:		
Patient accounts receivable	(40)	(88)
Supplies, prepaid expenses and other current assets	31	(30)
Accounts payable, accrued liabilities and income taxes	(212)	(238)
Other	8	(15)
Net cash provided by operating activities	632	504
Cash flows from investing activities		
Acquisitions of facilities and other related equipment	(114)	(27)
Purchases of property and equipment	(407)	(474)
Proceeds from disposition of hospitals and other ancillary operations	12	62
Proceeds from sale of property and equipment	7	11
Purchases of available-for-sale securities	(63)	(90)
Proceeds from sales of available-for-sale securities	233	86
Proceeds from sale of investments in unconsolidated affiliates	403	—
Distribution from Quorum Health Corporation	1,219	—
Increase in other investments	(113)	(80)
Net cash provided by (used in) investing activities	1,177	(512)
Cash flows from financing activities		
Proceeds from exercise of stock options	—	22
Repurchase of restricted stock shares for payroll tax withholding requirements	(5)	(20)
Deferred financing costs and other debt-related costs	(22)	(30)
Redemption of noncontrolling investments in joint ventures	(16)	(14)
Distributions to noncontrolling investors in joint ventures	(47)	(48)
Borrowings under credit agreements	2,806	2,385
Proceeds from receivables facility	31	91
Repayments of long-term indebtedness	(4,279)	(2,522)
Net cash used in financing activities	(1,532)	(136)
Net change in cash and cash equivalents	277	(144)
Cash and cash equivalents at beginning of period	184	509
Cash and cash equivalents at end of period	$ 461	$ 365

For footnotes, see pages 12, 13, 14 and 15.

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Footnotes to Financial Highlights, Financial Statements and Selected Operating Data

(a) Continuing operating results exclude discontinued operations for the three and six months ended June 30, 2016 and 2015. Both financial and statistical results exclude entities in discontinued operations for all periods presented. Same-store operating results and statistical data exclude information for the hospitals divested in the spin-off of QHC in both the 2016 periods and the comparable periods in 2015.

(b) The contingent value right ("CVR") entitles the holder to receive a cash payment up to $1.00 per CVR (subject to downward adjustment but not below zero), subject to the final resolution of certain legal matters pertaining to HMA, as defined in the CVR agreement. If the aggregate amount of applicable losses under the CVR agreement exceeds a deductible of $18 million, then the amount payable in respect of each CVR shall be reduced (but not below zero) by an amount equal to the quotient obtained by dividing: (a) the product of (i) all losses in excess of the deductible and (ii) 90%; by (b) the number of CVRs outstanding on the date on which final resolution of the existing litigation occurs. Since the HMA acquisition date of January 27, 2014, approximately $31 million in costs have been incurred and approximately $29 million of settlements have been paid related to certain HMA legal matters, which collectively exceed the deductible of $18 million under the CVR agreement. The Company previously recorded an estimated fair value of the remaining underlying claims that will be covered by the CVR of $284 million as part of the acquisition accounting for HMA, which has been adjusted to its estimated fair value of $260 million at June 30, 2016. In addition, although future legal fees (which are expensed as incurred) associated with the HMA legal matters have not been accrued or included in the table below, such legal fees are taken into account in determining the total amount of reductions applied to the amounts owed to CVR holders.

The following table presents the impact of the recorded amounts as described above as applied to the CVR and the $18 million deductible and 10% co-insurance amounts (in millions):

	As of June 30, 2016
Legal and other related costs incurred to date	$ 31
Settlements	29
Estimated liability for probable contingencies	—
Estimated liability for unresolved contingencies at fair value	260
Costs incurred plus certain estimated liabilities for CVR-related matters	320
Allocated to:	
CHS deductible of $18 million	(18)
CHS co-insurance at 10%	(29)
Recorded amounts that reduce CVR value after giving effect to deductible and co-insurance	$ 273
CVRs outstanding	265

(c) Included in discontinued operations for the three and six months ended June 30, 2016, are three smaller hospitals that are being actively marketed for sale. Included in discontinued operations for the three and six months ended June 30, 2015, were several hospitals held for sale at December 31, 2014, some of which were sold during the year ended December 31, 2015. The after-tax loss for the sold or held for sale hospitals, including an impairment charge on certain long-lived assets sold or held for sale, was approximately $1 million and $6 million for the three months ended June 30, 2016 and 2015, respectively, and approximately $3 million and $20 million for the six months ended June 30, 2016 and 2015, respectively.

(d) The following table provides information needed to calculate (loss) income per share, which is adjusted for income attributable to noncontrolling interests (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
(Loss) income from continuing operations attributable to Community Health Systems, Inc. common stockholders:				
(Loss) income from continuing operations, net of taxes	$ (1,405)	$ 140	$ (1,368)	$ 252
Less: Income from continuing operations attributable to noncontrolling interests	26	23	50	43
(Loss) income from continuing operations attributable to Community Health Systems, Inc. common stockholders - basic and diluted	$ (1,431)	$ 117	$ (1,418)	$ 209
Loss from discontinued operations attributable to Community Health Systems, Inc. common stockholders:				
Loss from discontinued operations, net of taxes	$ (1)	$ (6)	$ (3)	$ (20)
Less: Loss from discontinued operations attributable to noncontrolling interests	—	—	—	—
Loss from discontinued operations attributable to Community Health Systems, Inc. common stockholders - basic and diluted	$ (1)	$ (6)	$ (3)	$ (20)

Footnotes to Financial Highlights, Financial Statements and Selected Operating Data (Continued)

(e) EBITDA is a non-GAAP financial measure which consists of net (loss) income attributable to Community Health Systems, Inc. before interest, income taxes, and depreciation and amortization. Adjusted EBITDA, also a non-GAAP financial measure, is EBITDA adjusted to exclude discontinued operations, loss from early extinguishment of debt, impairment of goodwill and long-lived assets, gain on sale of investments in unconsolidated affiliates, net income attributable to noncontrolling interests, acquisition and integration expenses from the acquisition of HMA, expenses incurred related to the spin-off of QHC, expense (income) related to government legal settlements and related costs, and expense (income) from fair value adjustments related to the HMA legal proceedings, accounted for at fair value, underlying the CVR agreement, and related legal expenses. The Company has from time to time sold noncontrolling interests in certain of its subsidiaries or acquired subsidiaries with existing noncontrolling interest ownership positions. The Company believes that it is useful to present Adjusted EBITDA because it excludes the portion of EBITDA attributable to these third-party interests and clarifies for investors the Company's portion of EBITDA generated by continuing operations. The Company uses Adjusted EBITDA as a measure of liquidity. The Company has also presented Adjusted EBITDA in this release because it believes it provides investors with additional information about the Company's ability to incur and service debt and make capital expenditures. Adjusted EBITDA also aligns with a similar metric as defined in the Company's senior secured credit facility, which is a key component in the determination of the Company's compliance with some of the covenants under the Company's senior secured credit facility, and is used to determine the interest rate and commitment fee payable under the senior secured credit facility.

Adjusted EBITDA is not a measurement of financial performance or liquidity under U.S. GAAP. It should not be considered in isolation or as a substitute for net income, operating income, cash flows from operating, investing or financing activities or any other measure calculated in accordance with U.S. GAAP. The items excluded from Adjusted EBITDA are significant components in understanding and evaluating financial performance and liquidity. This calculation of Adjusted EBITDA may not be comparable to similarly titled measures reported by other companies.

The following table reflects the calculation of Adjusted EBITDA, as defined, from (loss) income from continuing operations before income taxes and reconciles Adjusted EBITDA to net cash provided by operating activities as derived directly from the condensed consolidated financial statements (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
(Loss) income from continuing operations before income taxes	$ (1,543)	$ 214	$ (1,480)	$ 382
Adjustments:				
Depreciation and amortization	276	291	574	587
Interest expense, net	246	239	496	481
Loss from early extinguishment of debt	30	9	30	16
Impairment of goodwill and long-lived assets	1,639	6	1,656	6
Gain on sale of investments in unconsolidated affiliates	(94)	—	(94)	—
Expenses related to the acquisition and integration of HMA	—	—	—	1
(Income) expense from government settlement and related costs	—	(6)	1	1
(Income) expense from fair value adjustments and legal expenses related to cases covered by the CVR	(1)	16	—	9
Expenses related to the spin-off of QHC	10	—	13	—
Adjusted EBITDA	$ 563	$ 769	$ 1,196	$ 1,483
Adjusted EBITDA	$ 563	$ 769	$ 1,196	$ 1,483
Interest expense, net	(246)	(239)	(496)	(481)
Benefit from (provision for) income taxes	138	(74)	112	(130)
Loss from operations of entities sold or held for sale, net of taxes	(1)	(6)	(2)	(17)
Other non-cash expenses, net	20	6	49	26
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures	(136)	109	(227)	(377)
Net cash provided by operating activities	$ 338	$ 565	$ 632	$ 504

(f) Included in non-same-store (loss) income from operations and (loss) income from continuing operations are pre-tax charges related to acquisition costs of $1 million and $2 million for the three months ended June 30, 2016 and 2015, respectively, and $3 million and $5 million for the six months ended June 30, 2016 and 2015, respectively.

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Footnotes to Financial Highlights, Financial Statements and Selected Operating Data (Continued)

(g) The following table sets forth components reconciling the basic weighted-average number of shares to the diluted weighted-average number of shares (in millions):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Weighted-average number of shares outstanding - basic	111	115	111	115
Add effect of dilutive securities:				
Stock awards and options	—	1	—	1
Weighted-average number of shares outstanding - diluted	111	116	111	116

The Company generated a loss from continuing operations attributable to Community Health Systems, Inc. common stockholders for the three and six months ended June 30, 2016, so the effect of dilutive securities is not considered because their effect would be antidilutive. If the Company had generated income from continuing operations during the three and six months ended June 30, 2016, the effect of restricted stock awards, employee stock options, and other equity-based awards on the diluted shares calculation would have been an increase in shares of 168,764 shares and 115,135 shares, respectively.

(h) The following supplemental tables reconcile (loss) income from continuing operations and net income attributable to Community Health Systems, Inc. common stockholders, as reported, on a per share (diluted) basis, with the adjustments described herein (total per share amounts may not add due to rounding):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
	(per share - diluted)		(per share - diluted)	
(Loss) income from continuing operations, as reported	$ (12.90)	$ 1.01	$(12.82)	$1.80
Adjustments:				
Loss from early extinguishment of debt	0.18	0.05	0.18	0.09
Impairment of goodwill and long-lived assets	13.29	0.04	13.45	0.04
(Income) expense from government settlement and related costs	—	(0.03)	—	0.01
(Income) expense from fair value adjustments and legal expenses related to cases covered by the CVR	—	0.08	—	0.05
Gain on sale of investments in unconsolidated affiliates	(0.54)	—	(0.54)	—
Expenses related to the spin-off of QHC	0.07	—	0.09	—
Income from continuing operations, excluding adjustments	$ 0.09	$ 1.14	$ 0.36	$1.99

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
	(per share - diluted)		(per share - diluted)	
Net (loss) income, as reported	$ (12.91)	$ 0.95	$(12.85)	$1.64
Adjustments:				
Loss from early extinguishment of debt	0.18	0.05	0.18	0.09
Impairment of goodwill and long-lived assets	13.29	0.04	13.45	0.04
(Income) expense from government settlement and related costs	—	(0.03)	—	0.01
(Income) expense from fair value adjustments and legal expenses related to cases covered by the CVR	—	0.08	—	0.05
Gain on sale of investments in unconsolidated affiliates	(0.54)	—	(0.54)	—
Expenses related to the spin-off of QHC	0.07	—	0.09	—
Net income, excluding adjustments	$ 0.08	$ 1.08	$ 0.33	$1.82

Footnotes To Financial Highlights, Financial Statements and Selected Operating Data (Continued)

(i) Both loss from operations and loss from continuing operations for the three and six months ended June 30, 2016, included an impairment charge of approximately $1.639 billion, of which $1.400 billion was a charge related to the write-down of a portion of the goodwill for the Company's hospital operation reporting unit, and $239 million was a charge related to the adjustment of the fair value of long-lived assets at certain of the Company's underperforming hospitals and some of the hospitals that the Company is currently marketing for sale that have experienced declining operating results or have had a decline in their estimated fair value since the Company's last impairment review. Of this $239 million impairment charge, $169 million related to the reduction in value of long-lived assets at such hospitals that the Company is currently marketing for sale, and $70 million related to the reduction in value of long-lived assets at such under-performing hospitals. The impairment charge recorded for goodwill is an estimated charge resulting from a determination that the carrying value of the Company's hospital operations reporting unit exceeded its fair value, primarily as the result of the decline in the Company's market capitalization and fair value of long-term debt during the three months ended June 30, 2016, as well as a decrease in the estimated future earnings of the Company compared to previous estimates. As allowed by generally accepted accounting principles, this amount represents an estimate of the implied goodwill in step two of the goodwill evaluation process until that process can be finalized, which the Company expects to complete during the third quarter of 2016. Any increases or decreases in the fair value and resulting implied value of goodwill will be recorded when the evaluation is complete. Also, included in loss from operations and loss from continuing operations for the six months ended June 30, 2016, was an impairment charge of approximately $17 million incurred during the three months ended March 31, 2016, related to the write-down of a portion of the goodwill allocated to the divestitures of Lehigh Regional Medical Center and Bartow Regional Medical Center, as well as the impairment of certain long-lived assets at one of the Company's smaller hospitals where the decision was made during the quarter ended March 31, 2016, to permanently close the hospital. These impairment charges do not have an impact on the calculation of the Company's financial covenants under the Company's Credit Facility. Both income from operations and income from continuing operations for the three and six months ended June 30, 2015, include an impairment charge of approximately $6 million related to the allocated reporting unit goodwill for one hospital where a definitive agreement to sell the hospital was entered into during the quarter ended June 30, 2015.

(j) The $0.03 per share (diluted) of income for "Government settlement and related costs" for the three months ended June 30, 2015, related primarily to favorable outcomes for several qui tam matters previously accrued and settled in principle, net of related legal expenses. The $0.01 per share (diluted) of expense for "Government settlement and related costs" for the six months ended June 30, 2015, is the net impact of several qui tam lawsuits settled in principle during the three months ended June 30, 2015, and related legal expenses.

(k) On April 29, 2016, the Company sold its unconsolidated minority equity interests in Valley Health System, LLC, a joint venture with Universal Health Systems, Inc. ("UHS") representing four hospitals in Las Vegas, Nevada, in which the Company owned a 27.5% interest, and in Summerlin Hospital Medical Center, LLC, a joint venture with UHS representing one hospital in Las Vegas, Nevada, in which the Company owned a 26.1% interest. The Company received $403 million in cash in return for the sale of its equity interests and recognized a gain on sale of investments in unconsolidated affiliates during the three and six months ended June 30, 2016.

(l) Total per share amounts may not add due to rounding.

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Regulation FD Disclosure

Set forth below is selected information concerning the Company's projected consolidated operating results for the year ending December 31, 2016. These projections update selected guidance issued on May 2, 2016, and are based on the Company's historical operating performance, current trends and other assumptions that the Company believes are reasonable at this time. The 2016 guidance should be considered in conjunction with the assumptions included herein. See pages 18 and 19 for a list of factors that could affect the future results of the Company or the healthcare industry generally.

A reconciliation of the Company's projected 2016 Adjusted EBITDA, a forward-looking non-GAAP financial measure, to the most directly comparable GAAP financial measure is omitted from this release because the Company is unable to provide such reconciliation without unreasonable effort (the Company's presentation of projected net cash provided by operating activities later in this Regulation FD Disclosure section is not projected using the same factors as the Adjusted EBITDA guidance, as there are different assumptions made in connection with the determination of such projected net cash provided by operating activities amount). This inability results from the inherent difficulty in forecasting generally and in quantifying certain projected amounts that are necessary for such reconciliation. In particular, sufficient information is not available to calculate certain adjustments required for such reconciliation without unreasonable effort, including interest expense, net; provision for (benefit from) income taxes; other non-cash expenses, net; other changes in operating assets and liabilities and other adjustments that would be necessary to prepare a forward-looking statement of cash flows prepared in accordance with GAAP. For the same reasons, the Company is unable to address the probable significance of the unavailable information.

The following is provided as guidance to analysts and investors:

	2016 Projection Range		
Net operating revenues less provision for bad debts (in millions)	$17,700	to	$18,300
Adjusted EBITDA (in millions)	$ 2,400	to	$ 2,550
Income from continuing operations per share - diluted	$ 1.40	to	$ 1.90
Same-store hospital annual adjusted admissions growth	0.5%	to	1.2%
Weighted-average diluted shares, in millions	111.5	to	112.5

The following assumptions were used in developing the 2016 guidance provided above:

- The guidance excludes the financial results of the following:
  - Quorum Health Resources, LLC and the 38 hospitals associated with the spin-off of QHC from the spin-off date of April 29, 2016 through December 31, 2016;
  - Our investment in a joint venture representing five hospitals in Las Vegas, Nevada that was divested in the second quarter of 2016;
  - Three small hospitals which remain held-for-sale for which the operating results have been classified in discontinued operations;
  - 12 hospitals that are being actively marketed for sale that we assume will be divested by the end of 2016; and
  - An investment in non-hospital operations that is being actively marketed for sale that we assume will be divested by the end of 2016.

  The Company may also consider additional hospitals for disposition for which the operating results have not been excluded from this guidance.
- The Company's projections also exclude the following:
  - Payments related to the CVRs issued in connection with the HMA acquisition, and changes in the valuation of liabilities underlying the CVR;
  - Losses from the early extinguishment of debt;
  - Impairment of goodwill and long-lived assets;

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- Resolution of government investigations or other significant legal settlements;
- Costs incurred in connection with the spin-off of QHC; and
- Other significant gains or losses that neither relate to the ordinary course of business nor reflect the Company's underlying business performance.

Other assumptions used in the above guidance:

- The 2016 projections include the results from the date of acquisition of an 80% interest in two hospitals in La Porte, Indiana and Knox, Indiana, which were acquired effective March 1, 2016, and an 80% interest in one hospital in Fayetteville, Arkansas, which was acquired effective April 1, 2016.
- Health Information Technology (HITECH) electronic health records incentive reimbursement of approximately $60 million to $70 million for the year ended December 31, 2016.
- Same-store hospital annual adjusted admissions growth of 0.5% to 1.2% for 2016, which does not take into account service closures and weather-related or other unusual events.
- Expressed as a percentage of net operating revenues, depreciation and amortization of approximately 6.1% to 6.2% for 2016. Additionally, this is a fixed cost and the percentages may change as revenue varies. Such amounts exclude the possible impact of any future hospital fixed asset impairments and acceleration of amortization of software to be abandoned.
- Interest expense, expressed as a percentage of net operating revenues, of approximately 5.3% to 5.4%; however, interest expense is a fixed cost and percentages may vary as revenue varies. Interest expense has been adjusted to reflect the repayment of debt with proceeds from the QHC spin-off as well as the anticipated divestitures, based on the expected timing of those divestitures. Total fixed rate debt, including swaps, is expected to average approximately 65% to 75% of total debt during 2016.
- Expressed as a percentage of net operating revenues, equity in earnings of unconsolidated affiliates of approximately 0.1% to 0.2% for 2016.
- Expressed as a percentage of net operating revenues, net income attributable to noncontrolling interests of approximately 0.5% to 0.6% for 2016.
- Expressed as a percentage of income from continuing operations before income taxes, provision for income tax of approximately 30.0% to 32.0% for 2016.
- Capital expenditures are projected as follows (in millions):

	2016 Guidance		
Total	$725	to	$875

- Net cash provided by operating activities, excluding costs incurred in connection with the spin-off of QHC, cash flows related to the CVR and settlement of legal contingencies, is projected as follows (in millions):

	2016 Guidance		
Total	$1,300	to	$1,400

- Weighted-average shares outstanding are projected to be between approximately 111.5 million to 112.5 million for the year ended 2016.

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This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995 that involve risk and uncertainties. All statements in this press release other than statements of historical fact, including statements regarding projections, expected operating results, and other events that depend upon or refer to future events or conditions or that include words such as “expects,” “anticipates,” “intends,” “plans,” “believes,” “estimates,” “thinks,” and similar expressions, are forward-looking statements. Although the Company believes that these forward-looking statements are based on reasonable assumptions, these assumptions are inherently subject to significant economic and competitive uncertainties and contingencies, which are difficult or impossible to predict accurately and may be beyond the control of the Company. Accordingly, the Company cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements. A number of factors could affect the future results of the Company or the healthcare industry generally and could cause the Company’s expected results to differ materially from those expressed in this press release.

These factors include, among other things:

- general economic and business conditions, both nationally and in the regions in which we operate;
- implementation, effect of, and changes to, adopted and potential federal and state healthcare reform legislation and other federal, state or local laws or regulations affecting the healthcare industry;
- the extent to which states support increases, decreases or changes in Medicaid programs, implement health insurance exchanges or alter the provision of healthcare to state residents through regulation or otherwise;
- the success and long-term viability of health insurance exchanges, which may be impacted by whether a sufficient number of payors participate;
- risks associated with our substantial indebtedness, leverage and debt service obligations, including our ability to incur additional indebtedness;
- demographic changes;
- changes in, or the failure to comply with, governmental regulations;
- potential adverse impact of known and unknown government investigations, audits, and federal and state false claims act litigation and other legal proceedings;
- our ability, where appropriate, to enter into and maintain provider arrangements with payors and the terms of these arrangements, which may be further impacted by the increasing consolidation of health insurers and managed care companies;
- changes in, or the failure to comply with, contract terms with payors and changes in reimbursement rates paid by federal or state healthcare programs or commercial payors;
- any potential additional impairments in the carrying value of goodwill (or change in the estimated goodwill impairment charge incurred during the three months ended June 30, 2016, pending the completion of our goodwill evaluation process), other intangible assets, or other long-lived assets, or changes in the useful lives of other intangible assets;
- changes in inpatient or outpatient Medicare and Medicaid payment levels;
- the effects related to the continued implementation of the sequestration spending reductions and the potential for future deficit reduction legislation;
- increases in the amount and risk of collectability of patient accounts receivable, including the impact of the implementation of ICD-10 and decreases in collectability which may result from, among other things, self-pay growth in states that have not expanded Medicaid and difficulties in recovering payments for which patients are responsible, including co-pays and deductibles;
- the efforts of insurers, healthcare providers and others to contain healthcare costs, including the trend toward value-based purchasing;

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- our ongoing ability to demonstrate meaningful use of certified electronic health record technology and recognize income for the related Medicare or Medicaid incentive payments;
- increases in wages as a result of inflation or competition for highly technical positions and rising supply and drug costs due to market pressure from pharmaceutical companies and new product releases;
- liabilities and other claims asserted against us, including self-insured malpractice claims;
- competition;
- our ability to attract and retain, at reasonable employment costs, qualified personnel, key management, physicians, nurses and other healthcare workers;
- trends toward treatment of patients in less acute or specialty healthcare settings, including ambulatory surgery centers or specialty hospitals;
- changes in medical or other technology;
- changes in U.S. generally accepted accounting principles;
- the availability and terms of capital to fund additional acquisitions or replacement facilities or other capital expenditures;
- our ability to successfully make acquisitions or complete divestitures, including the intended disposition of certain hospitals and other investments as referenced herein, our ability to complete any such acquisitions or divestitures on desired terms or at all, the timing of the completion of any such acquisitions or divestitures, and our ability to realize the intended benefits from any such acquisitions or divestitures;
- our ability to successfully integrate any acquired hospitals, including those of HMA, or to recognize expected synergies from acquisitions;
- the impact of seasonal severe weather conditions;
- our ability to obtain adequate levels of general and professional liability insurance;
- timeliness of reimbursement payments received under government programs;
- effects related to outbreaks of infectious diseases;
- the impact of the external, criminal cyber-attack suffered by us in the second quarter of 2014, including potential reputational damage, the outcome of our investigation and any potential governmental inquiries, the outcome of litigation filed against us in connection with this cyber-attack, the extent of remediation costs and additional operating or other expenses that we may continue to incur, and the impact of potential future cyber-attacks or security breaches;
- the effects of the spin-off of QHC that was completed on April 29, 2016 on our business, including our ability to achieve the anticipated benefits of the spin-off; and
- the other risk factors set forth in our other public filings with the Securities and Exchange Commission.

The consolidated operating results for the three and six months ended June 30, 2016, are not necessarily indicative of the results that may be experienced for any future periods. The Company cautions that the projections for calendar year 2016 set forth in this press release are given as of the date hereof based on currently available information. The Company undertakes no obligation to revise or update any forward-looking statements, or to make any other forward-looking statements, whether as a result of new information, future events or otherwise.

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