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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

April 26, 2006

Date of Report (date of earliest event reported)

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

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

7100 Commerce Way, Suite 100
Brentwood, Tennessee 37027
(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):

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

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

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240 .14d-2(b))

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

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The information contained in this 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 (the “Securities Act”), 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 April 26, 2006, Community Health Systems, Inc. (“the Company”) announced operating results for the quarter ended March 31, 2006. A copy of the press release making this announcement is attached as Exhibit 99.1 to this Form 8-K.

ITEM 7.01 Regulation FD Disclosure

On April 26, 2006, the Company announced among other matters an update to its previous 2006 guidance. A copy of the press release making this announcement is attached as Exhibit 99.1 to this Form 8-K.

ITEM 9.01 Financial Statements and Exhibits

Exhibits

The following exhibit is furnished herewith:

99.1 Community Health Systems, Inc. Press Release dated April 26, 2006.

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 thereunto duly authorized.

Date: April 26, 2006

COMMUNITY HEALTH SYSTEMS, INC.
(Registrant)

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

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

By: /s/ T. Mark Buford
T. Mark Buford
Vice President and Corporate Controller
(principal accounting officer)

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Index to Exhibits

Exhibit Number	Description
99.1	Press Release dated April 26, 2006

Exhibit Number
99.1

[CHS LOGO] COMMUNITY HEALTH
SYSTEM INC.

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

COMMUNITY HEALTH SYSTEMS, INC. ANNOUNCES FIRST QUARTER 2006 RESULTS WITH NET OPERATING REVENUES UP 13%

BRENTWOOD, TN. (April 26, 2006) -- Community Health Systems, Inc. (NYSE: CYH) today announced financial and operating results for the first quarter ended March 31, 2006.

Net operating revenues for the quarter ended March 31, 2006, totaled $1.027 billion, a 13.0% increase compared with $908.3 million for the same period last year. Income from continuing operations increased 16.7% to $57.3 million, or $0.58 per share (diluted), on 98.2 million weighted average shares outstanding for the quarter ended March 31, 2006, compared with $49.1 million, or $0.52 per share (diluted), on 98.1 million weighted average shares outstanding for the same period last year. Net income increased to $54.0 million, or $0.55 per share (diluted), for the quarter ended March 31, 2006, compared with $36.0 million, or $0.39 per share (diluted), for the same period last year. Loss on discontinued operations for the quarter ended March 31, 2006, consists of an after-tax loss of approximately $3.2 million, or $0.03 per share (diluted), related primarily to the sale of one hospital in March of 2006, which was designated as being held for sale at December 31, 2005.

The first quarter 2006 results include additional compensation expense of $3.2 million, or $0.02 per diluted share, resulting from stock-based compensation calculated under SFAS No. 123(R), "Share-Based Payment".

Adjusted EBITDA for the first quarter of 2006 was $158.5 million, compared with $143.8 million for the same period last year, representing a 10.2% increase. Adjusted EBITDA is EBITDA adjusted to exclude discontinued operations and minority interest in earnings. The Company uses adjusted EBITDA as a measure of liquidity. Net cash provided by operating activities for the first quarter of 2006 was $90.8 million, compared with $148.7 million for the same period last year.

The consolidated financial results for the quarter ended March 31, 2006, reflect a 4.6% increase in total admissions compared with the same period last year. This increase is primarily attributable to hospitals acquired during 2006 and 2005. On a same-store basis, admissions decreased 2.4% and adjusted admissions decreased 0.9%, compared with the same period last year. The absence of a flu season and respiratory - related volume contributed to these decreases compared to a strong season last year. On a same-store basis, net operating revenues increased 6.8%, compared with the same period last year.

Commenting on the results, Wayne T. Smith, chairman, president and chief executive officer of Community Health Systems, Inc. stated, "The first quarter marks a very strong start to 2006. For the first time in Community Health Systems' operating history, the Company exceeded $1 billion in quarterly revenues. In addition to our impressive top-line growth, we have compiled an enviable track record of consistently meeting our earnings targets. Our continued profitability and operating execution reflects our ability to leverage our proven centralized and standardized operating platform in our hospitals."

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On March 1, 2006, the Company completed the acquisition of Forrest City Hospital, a 118 bed acute care hospital located in Forrest City, Arkansas. The Company is the sole provider of acute care hospital services in the Forrest City, Arkansas, market.

On April 1, 2006, the Company completed the acquisition of two hospitals from the Baptist Health System, Birmingham, Alabama: Baptist Medical Center - DeKalb (134 beds) located in Fort Payne, Alabama and Baptist Medical Center - Cherokee (60 beds) located in Centre, Alabama. Each hospital is the sole provider of hospital services in its community.

"Our acquisition pace has continued to be strong and steady through the first quarter of this year," Smith added. "More importantly, with the definitive agreements we have pending and other active opportunities in our pipeline, the market looks very favorable for 2006. Our track record demonstrates that we are well positioned to make the most of these opportunities. We are very pleased with these trends in our business as we continue to build our portfolio of hospitals and extend our business model to more communities. We look forward to another successful year for Community Health Systems."

Included on pages 9, 10 and 11 of this press release is a table setting forth selected information concerning the consolidated results of the Company for the year ended December 31, 2005, and updated projected consolidated operating results of the Company for the year ending December 31, 2006.

Located in the Nashville, Tennessee, suburb of Brentwood, Community Health Systems, Inc. is a leading operator of general acute care hospitals in non-urban communities throughout the country. Through its subsidiaries, the Company currently owns, leases or operates 73 hospitals in 21 states. Its hospitals offer a broad range of inpatient medical and surgical services, outpatient treatment and skilled nursing care. Shares in Community Health Systems, Inc. are traded on the New York Stock Exchange under the symbol "CYH".

Community Health Systems, Inc. will hold a conference call to discuss this press release on Thursday, April 27, 2006, at 10:30 a.m. Central, 11:30 a.m. Eastern. 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, or at www.earnings.com. 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 continue through May 27, 2006. A copy of the Company's Form 8-K (including this press release) and conference call slide show will also be available on the Company's website at www.chs.net.

Statements contained in this news release regarding expected operating results, acquisition transactions and other events are forward-looking statements that involve risk and uncertainties. Actual future events or results may differ materially from these statements. Readers are referred to the documents filed by Community Health Systems, Inc. with the Securities and Exchange Commission, including the Company's annual report on Form 10-K and, current reports on Form 8-K. These filings identify important risk factors and other uncertainties that could cause actual results to differ from those contained in the forward-looking statements. 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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COMMUNITY HEALTH SYSTEMS, INC.
FINANCIAL HIGHLIGHTS
(Unaudited)
(In thousands, except per share amounts)

	THREE MONTHS ENDED MARCH 31,	
	2006	2005(a)
Net operating revenues	$ 1,026,562	$ 908,263
Adjusted EBITDA (e)	$ 158,458	$ 143,782
Income from continuing operations	$ 57,254	$ 49,079
Net income	$ 54,038	$ 35,988
Income from continuing operations per share-basic	$ 0.59	$ 0.56
Income from continuing operations per share-diluted	$ 0.58(b)	$ 0.52(c)
Net income per share - basic	$ 0.56	$ 0.41
Net income per share - diluted	$ 0.55	$ 0.39(c)
Weighted average number of shares outstanding - basic	96,552	87,926
Weighted average number of shares outstanding - diluted	98,209(d)	98,087(d)
Net cash provided by operating activities	$ 90,814	$ 148,709

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(a) Pursuant to Statement of Financial Accounting Standards ("SFAS") No. 144, the Company has restated the first quarter 2005 financial statements and statistical results to reflect the reclassification as discontinued operations of one hospital designated as being held-for-sale during the second quarter of 2005, which was subsequently sold in March of 2006. Four hospitals were previously classified as discontinued operations in 2005.

(b) Includes additional compensation expense of $0.02 per share (diluted) resulting from stock-based compensation calculated under SFAS No. 123(R) "Share-Based Payment". The Company adopted SFAS No. 123(R) beginning January 1, 2006, using the modified prospective application transition method.

(c) For purposes of calculating earnings per share for the quarter ended March 31, 2005, the convertible notes are dilutive and accordingly after tax interest expense of $2.2 million per quarter is excluded from the calculation of earnings and 8.6 million shares are added to the number of shares outstanding to calculate fully diluted earnings per share.

(d) Adjusted to include assumed exercise of employee stock options and assumed conversion of convertible notes. As of March 31, 2006, all of the convertible notes have been redeemed. 8,569,593 shares of common stock of the Company were issued upon conversion of the outstanding notes and $0.4 million of the notes were redeemed in exchange for cash. There was no impact on earnings per share (diluted) as a result of this conversion since weighted average number of shares outstanding-diluted for the three months ended March 31, 2005 included the shares issuable upon conversion of the convertible notes.

(Footnotes continued on next page.)

(e) EBITDA consists of income before interest, income taxes, and depreciation and amortization. Adjusted EBITDA is EBITDA adjusted to exclude discontinued operations and minority interest in earnings. The Company has from time to time sold minority interests in certain of its subsidiaries or acquired subsidiaries with existing minority 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 included this measure 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 is the basis for a key component in the determination of the Company's compliance with some of the covenants under the Company's senior secured credit facility, as well as 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 generally accepted accounting principles. 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 generally accepted accounting principles. 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 reconciles adjusted EBITDA, as defined, to net cash provided by operating activities as derived directly from the consolidated financial statements for the three months ended March 31, 2006 and 2005 (in thousands):

	THREE MONTHS ENDED MARCH 31,	
	2006	2005
Adjusted EBITDA	$ 158,458	$ 143,782
Interest expense, net	(21,787)	(22,781)
Provision for income taxes	(36,298)	(31,238)
Loss from operations of hospitals sold and lease termination, net of taxes	(657)	(5,473)
Depreciation and amortization of discontinued operations	--	1,340
Other non-cash expenses, net	(1,299)	25
Net changes in operating assets and liabilities, net of effects of acquisitions	(7,603)	63,054
Net cash provided by operating activities	$ 90,814	$ 148,709

COMMUNITY HEALTH SYSTEMS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)
(In thousands, except per share amounts)

	THREE MONTHS ENDED MARCH 31, 2006	THREE MONTHS ENDED MARCH 31, 2005
Net operating revenues	$ 1,026,562	$ 908,263
Operating expenses:		
Salaries and benefits	407,668	360,233
Provision for bad debts	107,591	93,051
Supplies	122,820	112,656
Other operating expenses	207,043	178,064
Rent	22,982	20,477
Depreciation and amortization	42,506	39,797
Minority interests in earnings	613	887
Total expenses	911,223	805,165
Income from operations	115,339	103,098
Interest expense, net	21,787	22,781
Income from continuing operations before income taxes	93,552	80,317
Provision for income taxes	36,298	31,238
Income from continuing operations	57,254	49,079
Discontinued operations, net of taxes;		
Loss from operations	(657)	(5,473)
Loss on sale of hospitals	(2,559)	(7,618)
Loss on discontinued operations	(3,216)	(13,091)
Net income	$ 54,038	$ 35,988
Income from continuing operations per share-basic	$ 0.59	$ 0.56
Income from continuing operations per share-diluted	$ 0.58	$ 0.52
Net income per share - basic	$ 0.56	$ 0.41
Net income per share - diluted	$ 0.55	$ 0.39
Weighted average number of shares outstanding:		
Basic	96,552	87,926
Diluted	98,209	98,087
Net Income per share calculation:		
Net income	$ 54,038	$ 35,988
Add - Convertible notes interest, net of taxes	135	2,189
Adjusted net income	$ 54,173	$ 38,177
Weighted average number of shares outstanding - basic	96,552	87,926
Add effect of dilutive securities:		
Stock awards	1,068	1,579
Convertible notes	589	8,582
Weighted average number of shares outstanding - diluted	98,209	98,087

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COMMUNITY HEALTH SYSTEMS, INC.
SELECTED OPERATING DATA
(Unaudited)
($ in thousands)

	FOR THE THREE MONTHS ENDED MARCH 31,					
	CONSOLIDATED			SAME-STORE		
	2006	2005	% CHANGE	2006	2005	% CHANGE
Number of hospitals (at end of period)	71	67		67	67	
Licensed beds (at end of period)	8,074	7,580		7,509	7,580	
Beds in service (at end of period)	6,528	6,175		6,183	6,175	
Admissions	78,966	75,490	4.6%	73,703	75,490	-2.4%
Adjusted admissions	143,168	134,513	6.4%	133,266	134,513	-0.9%
Patient days	333,249	319,499	4.3%	310,266	319,499	-2.9%
Average length of stay (days)	4.2	4.2		4.2	4.2	
Occupancy rate (average beds in service)	57.0%	58.7%		56.9%	58.7%	
Net operating revenues	$ 1,026,562	$908,263	13.0%	$970,036	$908,153	6.8%
Net inpatient revenue as a % of total net operating revenues	50.9%	51.9%		50.9%	51.9%	
Net outpatient revenue as a % of total net operating revenues	47.8%	47.0%		47.8%	47.0%	
Income from operations	$ 115,339	$103,098	11.9%	$114,810	$103,302	11.1%
Income from operations as a % of net operating revenues	11.2%	11.4%		11.8%	11.4%	
Depreciation and amortization	$ 42,506	$ 39,797		$ 40,344	$ 39,628	
Minority interest in earnings	$ 613	$ 887		$ 958	$ 887	
Liquidity Data:						
Adjusted EBITDA	$ 158,458	$143,782	10.2%			
Adjusted EBITDA as a % of net operating revenues	15.4%	15.8%				
Net cash provided by operating activities	$ 90,814	$148,709				
Net cash provided by operating activities as a % of net operating revenue	8.8%	16.4%				

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Continuing operating results and statistical data exclude discontinued operations for all periods presented.

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COMMUNITY HEALTH SYSTEMS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands)

	MARCH 31, 2006	DECEMBER 31, 2005
ASSETS		
Current assets		
Cash and cash equivalents	$ 111,951	$ 104,108
Patient accounts receivable, net of allowance for doubtful accounts of $340,847 and $346,024 at March 31, 2006 and December 31, 2005, respectively	699,067	656,029
Supplies	94,864	95,200
Deferred income taxes	4,128	4,128
Prepaid expenses and taxes	32,445	33,377
Other current assets	53,455	36,494
Total current assets	995,910	929,336
Property and equipment	2,175,228	2,128,639
Less accumulated depreciation and amortization	(547,770)	(517,648)
Property and equipment, net	1,627,458	1,610,991
Goodwill	1,267,557	1,259,816
Other assets, net	158,364	149,202
Total assets	$ 4,049,289	$ 3,949,345
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Current maturities of long-term debt	$ 19,284	$ 19,124
Accounts payable	158,190	189,940
Current income taxes payable	31,822	19,811
Accrued interest	11,062	8,591
Accrued liabilities	252,238	215,064
Total current liabilities	472,596	452,530
Long-term debt	1,516,269	1,648,500
Deferred income taxes	157,579	157,579
Other long-term liabilities	139,818	126,159
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; 99,443,600 shares issued and 98,468,051 shares outstanding at March 31, 2006 and 94,539,837 shares issued and 93,564,288 shares outstanding at December 31, 2005	994	945
Additional paid-in capital	1,334,789	1,208,930
Treasury stock, at cost, 975,549 shares at March 31, 2006 and December 31, 2005	(6,678)	(6,678)
Unearned stock-based compensation	-	(13,204)
Accumulated other comprehensive income	20,491	15,191
Retained earnings	413,431	359,393
Total stockholders' equity	1,763,027	1,564,577
Total liabilities and stockholders' equity	$ 4,049,289	$ 3,949,345

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COMMUNITY HEALTH SYSTEMS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands)

	THREE MONTHS ENDED MARCH 31, 2006	THREE MONTHS ENDED MARCH 31, 2005
Cash flows from operating activities		
Net income	$ 54,038	$ 35,988
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	42,506	41,137
Minority interest in earnings	613	887
Stock-based compensation expense	3,651	496
Loss on sale of hospitals	3,937	6,295
Excess tax benefits relating to stock-based compensation	(4,360)	-
Other non-cash expenses, net	(590)	(471)
Changes in operating assets and liabilities, net of effects of acquisitions and divestitures:		
Patient accounts receivable	(42,326)	(11,510)
Supplies, prepaid expenses and other current assets	2,798	1,849
Accounts payable, accrued liabilities and income taxes	28,371	66,025
Other	2,176	8,013
Net cash provided by operating activities	90,814	148,709
Cash flows from investing activities		
Acquisitions of facilities and other related equipment	(17,448)	(24,854)
Purchases of property and equipment	(39,704)	(33,166)
Disposition of hospitals	500	51,861
Proceeds from sale of equipment	34	2,131
Increase in other assets	(22,425)	(7,237)
Net cash used in investing activities	(79,043)	(11,265)
Cash flows from financing activities		
Proceeds from exercise of stock options	1,919	15,958
Excess tax benefits relating to stock-based compensation	4,360	-
Stock buy-back	(8,112)	(4,390)
Deferred financing costs	(16)	(749)
Redemption of convertible notes	(128)	-
Proceeds from minority investors in joint ventures	3,060	1,383
Redemption of minority investments in joint ventures	(530)	(290)
Distributions to minority investors in joint ventures	(596)	(382)
Borrowings under credit agreement	-	-
Repayments of long-term indebtedness	(3,885)	(13,025)
Net cash provided by (used in) financing activities	(3,928)	(1,495)
Net change in cash and cash equivalents	7,843	135,949
Cash and cash equivalents at beginning of period	104,108	82,498
Cash and cash equivalents at end of period	$ 111,951	$ 218,447

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REGULATION FD DISCLOSURE

The following table sets forth selected information concerning the consolidated operating results of the Company for the year ended December 31, 2005, and the Company's updated projected consolidated operating results of the Company for the year ending December 31, 2006. These projections are based on the Company's historical operating performance, current trends and other assumptions that the Company believes are reasonable at this time.

The following is provided as guidance to analysts and investors:

	2005 Actual Results Adjusted for Pro-forma Effect of Stock-Based Compensation Expense	2006 Projection Range
Net operating revenues (in millions)	$ 3,738	$4,225 to $4,275
Adjusted EBITDA (in millions)	$ 556	$620 to $645
Income from continuing operations per share - diluted	$ 1.91	$ 2.16 to $2.21
Same hospitals annual admissions growth	2.1%	1.0% to 2.0 %
Weighted average diluted shares (in millions)	98.6	99 to 100
Acquisitions of new hospitals	5	5 to 7
Income from Continuing Operations Per Share - Diluted:		
1st quarter ended March 31	$ 0.50	$ 0.58 (actual)
2nd quarter ending June 30	$ 0.46	$ 0.51 to $0.53
3rd quarter ending September 30	$ 0.44	$ 0.50 to $0.51
4th quarter ending December 31	$ 0.51	$ 0.56 to $0.58

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

- For comparative purposes, the 2005 actual results have been restated to include pro-forma stock-based stock option compensation expense of $17.6 million, or $0.11 per share (diluted) as if SFAS No. 123(R) was adopted on January 1, 2005, and reflected in the Company's reported earnings for 2005. Adjusted EBITDA and income from continuing operations per share - diluted, as reported in 2005 were $573.2 million and $2.02 per share, respectively. The quarterly income from continuing operations per share-diluted, as reported in 2005 were $0.52 (1st qtr.), $0.49 (2nd qtr.), $0.47 (3rd qtr.) and $0.54 (4th qtr.).

- On January 1, 2006, the Company adopted SFAS No. 123(R), using the modified prospective application transition method. For the year ending December 31, 2006, the Company anticipates recognizing stock - based compensation expense of approximately $20 million, or $0.13 per diluted share as compared to $5 million, or $0.03 per diluted share recognized for the year ended December 31, 2005 under APB No. 25. Thus, the 2006 projected results does include additional stock - based compensation expense of $15 million, or $0.10 per diluted share.

- Expressed as a percentage of net operating revenue, provision for bad debts is projected to be approximately 10.2% to 10.5% for 2006.

- Capital expenditures are as follows (in millions):

	Actual 2005	Guidance 2006
Total	$ 200	$ 250 to $260

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- Expressed as a percent of net operating revenues, total depreciation and amortization is projected to be approximately 4.2% to 4.6% for 2006; however, this is a fixed cost and the percentages may vary as revenue varies. The adoption of FASB Interpretation No. 45-3 (Entitled Minimum Revenue Guarantees Granted to a Business or Its Owners), requiring the Company to begin capitalizing and amortizing certain elements of its physician recruitment costs, is not expected to have a material impact on earnings during 2006.

- Expressed as a percentage of income before income taxes, provision for income tax is projected to be approximately 38.5% to 39.0% for 2006.

- The Company is exposed to London Inter-Bank Offer Rate ("LIBOR") based interest rates, which have been increasing over the past two years. The following is a summary of the three-month LIBOR rates at various dates:

December 31, 2003	1.15188%
December 31, 2004	2.56438%
December 31, 2005	4.53625%
March 31, 2006	5.00000%

To partially offset the rise in LIBOR rates, the Company is currently a party to ten separate interest swap agreements to limit the effect of changes in interest rates on a portion of the Company's long-term borrowings. On each of the swaps, the Company receives a variable rate of interest based on the three-month LIBOR, in exchange for the payment by the Company of a fixed rate of interest. Currently, the Company pays on a quarterly basis a margin above LIBOR of 175 basis points for revolver loans and term loans under the senior secured credit facility. For the purpose of providing 2006 projection range guidance, the Company has assumed that future LIBOR rates for borrowings under the Company's $1.625 billion Senior Secured Credit Facility will increase based on market quotations of the forward yield curve and other economic forecasts.

- The following table reconciles adjusted EBITDA, as defined, to the Company's estimated net cash provided by operating activities as presented in the guidance shown on page 9:

	2005 Actual Results Adjusted for Pro-forma Stock-Based Compensation Expense	2006 Projection Range (in millions)	
Adjusted EBITDA	$ 556	$ 620	$ 645
Taxes and interest expense	(209)	(226)	(235)
Other non-cash expenses and net changes in operating assets and liabilities	64	36	40
Net cash provided by operating activities ...	$ 411	$ 430	$ 450

The projections set forth in this report constitute forward-looking statements within the meaning of Section 27A of the Securities Act, Section 21E of the Exchange Act and the Private Securities Litigation Reform Act of 1995. 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 are 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 filing.

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These factors include, among other things:

- general economic and business conditions, both nationally and in the regions in which we operate;

- demographic changes;

- existing governmental regulations and changes in, or the failure to comply with, governmental regulations;

- legislative proposals for healthcare reform;

- the impact of the Medicare Prescription Drug, Improvement and Modernization Act of 2003, which includes specific reimbursement changes for small urban and non-urban hospitals;

- our ability, where appropriate, to enter into managed care provider arrangements and the terms of these arrangements;

- changes in inpatient or outpatient Medicare and Medicaid payment levels;

- uncertainty regarding the application of the Health Insurance Portability and Accountability Act of 1996 regulations;

- increases in wages as a result of inflation or competition for highly technical positions and rising supply cost due to market pressure from pharmaceutical companies and new product releases;

- liability and other claims asserted against us, including self-insured malpractice claims;

- competition;

- our ability to attract and retain qualified personnel, key management, physicians, nurses and other health care 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 generally accepted accounting principles;

- the availability and terms of capital to fund additional acquisitions or replacement facilities;

- our ability to successfully acquire and integrate additional hospitals;

- our ability to obtain adequate levels of general and professional liability insurance;

- potential adverse impact of known and unknown government investigations;

- timeliness of reimbursement payments received under government programs; and

- the other risk factors set forth in our public filings with the Securities and Exchange Commission.

The consolidated operating results for the quarter ended March 31, 2006, are not necessarily indicative of the results that may be experienced for any future quarter or for any future fiscal year, including this fiscal year.

The Company cautions that the projections for calendar year 2006 set forth herein are given as of the date hereof based on currently available information. The Company is not undertaking any obligation to update these projections as conditions change or other information becomes available.

- END -