

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 27, 2005

Date of Report (date of earliest event reported)

COMMUNITY HEALTH SYSTEMS, INC.

(Exact name of Registrant as specified in charter)

Delaware
(State or other jurisdiction
of incorporation)

001-15925
(Commission File Number)

13-3893191
(I.R.S. Employer
Identification No.)

155 Franklin Road, Suite 400
Brentwood, Tennessee 37027
(Address of principal executive offices)
Registrant's telephone number, including area code: (615) 373-9600

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))
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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 27, 2005, Community Health Systems, Inc. announced operating results for the quarter ended March 31, 2005. A copy of the related press release is attached as Exhibit 99.1 to this Form 8-K.

ITEM 7.01 Regulation FD Disclosure

On April 27, 2005, Community Health Systems, Inc. announced among other matters an update to its previous 2005 guidance. A copy of the related press release 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 27, 2005.

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 27, 2005

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

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated April 27, 2005

(CHS LOGO) COMMUNITY HEALTH
SYSTEMS, INC.

Investor Contact: W. Larry Cash
Executive Vice President
and Chief Financial Officer
(615) 373-9600

COMMUNITY HEALTH SYSTEMS, INC. ANNOUNCES
FIRST QUARTER 2005 RESULTS WITH NET OPERATING REVENUES UP 16.1%, AND
INCOME FROM CONTINUING OPERATIONS PER SHARE (DILUTED) UP 27.5%

BRENTWOOD, TN. (April 27, 2005) -- Community Health Systems, Inc. (NYSE: CYH) today announced financial and operating results for the first quarter ended March 31, 2005.

Net operating revenues for the first quarter ended March 31, 2005, totaled \$914.1 million, a 16.1% increase compared with \$787.4 million for the same period last year. Income from continuing operations increased 14.7% to \$47.7 million, or \$0.51 per share (diluted), on 98.1 million weighted average shares outstanding for the quarter ended March 31, 2005, compared with \$41.6 million, or \$0.40 per share (diluted), on 109.1 million weighted average shares outstanding for the same period last year. Net income decreased 11.6% to \$36.0 million, or \$0.39 per share (diluted), compared with \$40.7 million, or \$0.39 per share (diluted), for the same period last year. Loss on discontinued operations for the quarter ended March 31, 2005 consists of an after-tax loss of approximately \$11.7 million, or \$0.12 per share (diluted), related to the sale of four hospitals, one of which was designated as being held for sale at December 31, 2004, as well as the termination of one hospital's lease during the quarter ended March 31, 2005. Refer to pages 3 and 4 for "Financial Highlights."

Adjusted EBITDA for the first quarter of 2005 was \$142.1 million, compared with \$123.6 million for the same period last year, representing a 15.0% 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 2005 was \$148.7 million, compared with \$61.7 million for the same period last year, an increase of 140.9%.

The consolidated financial results for the first quarter ended March 31, 2005, reflect a 10.5% increase in total admissions compared with the same period last year. This increase is attributable to strong same-store performance and hospitals acquired during 2005 and 2004. On a same-store basis, admissions increased 4.0% and adjusted admissions increased 2.8%, compared with the same period last year. A strong flu season and respiratory - related volume contributed to these increases. On a same-store basis, net operating revenues increased 8.4%, compared with the same period last year.

-MORE-

April 27, 2005

Commenting on the results, Wayne T. Smith, chairman, president and chief executive officer of Community Health Systems, Inc. stated, "We are very pleased with the solid first quarter performance for Community Health Systems, which further demonstrates the strength of our operating strategy. The improved volume trends and higher operating revenues were positively affected by a strong flu season, an increase in respiratory - related volume, successful physician recruitment efforts and addition of new services in our hospitals, as well as the incremental gains from recent acquisitions. Additionally, our strong focus on expense management, our standardized and centralized operating platform and improved industry economics are all having a positive impact on our operating income. For all of these reasons, we look forward to another successful year for Community Health Systems."

On March 1, 2005, the Company completed the acquisition of Chestnut Hill Hospital (222 beds) in Philadelphia, Pennsylvania. The University of Pennsylvania Health Systems holds a minority interest in this hospital.

"Our ability to identify and selectively acquire hospitals has consistently placed Community Health Systems in front of the market," Smith added. "We are off to a great start for 2005 with the completion of one acquisition during the first quarter. More importantly, we have an active pipeline of acquisition candidates and remain confident we will meet our goal to add two to four new hospitals to our portfolio this year. Every new hospital provides additional growth opportunities for the Company as we expand our coverage into new markets. Our proven track record in integrating and improving the performance of newly acquired hospitals, and more importantly, developing positive community relations, has continued to be a distinct competitive advantage for Community Health Systems. Our strategic objective is clear - deliver favorable and consistent results and ensure that our hospitals achieve or maintain their position as the dominant health care provider in their respective markets. We are excited about our prospects for 2005 and will continue to balance our operating strategy with our objective to build value for both our shareholders and the communities we serve."

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 68 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 28, 2005, 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.fulldisclosures.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 28, 2005. 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 for the year ended December 31, 2004, quarterly reports on Form 10-Q, current reports on Form 8-K and recent registration statements. 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,	
	2005	2004 (a)
Net operating revenues	\$914,108	\$787,373
Adjusted EBITDA(b)	\$142,097	\$123,580
Income from continuing operations	\$ 47,692	\$ 41,596
Net income	\$ 35,988	\$ 40,726
Income from continuing operations per share-basic	\$ 0.54	\$ 0.42
Income from continuing operations per share-diluted	\$ 0.51	\$ 0.40
Net income per share - basic	\$ 0.41	\$ 0.41
Net income per share - diluted	\$ 0.39	\$ 0.39
Weighted average number of shares outstanding - basic	87,926	98,698
Weighted average number of shares outstanding - diluted	98,087 (c)	109,136 (c)
Net cash provided by operating activities	\$148,709	\$ 61,731

(a) Pursuant to FASB No. 144, the Company has restated its prior period first quarter 2004 financial statements and statistical results to reflect the reclassification as discontinued operations four additional hospitals, three of which were sold during the first quarter of 2005 and one hospital where the lease expired during the first quarter of 2005. Three hospitals, including one designated as held for sale at December 31, 2004, were classified as discontinued operations in 2004.

(b) 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.

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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, 2005 and 2004 (in thousands):

	THREE MONTHS ENDED MARCH 31,	
	2005	2004
Adjusted EBITDA	\$ 142,097	\$ 123,580
Interest expense, net	(22,781)	(18,047)
Provision for income taxes	(30,491)	(27,115)
Loss from operations of hospitals sold and lease termination, net of taxes	(4,086)	(870)
Depreciation and amortization of discontinued operations	891	2,002
Other non-cash expenses, net	25	(491)
Net changes in operating assets and liabilities, net of effects of acquisitions	63,054	(17,328)
Net cash provided by operating activities	\$ 148,709	\$ 61,731

- (c) Adjusted to include assumed exercise of stock awards and assumed conversion of convertible notes. Since the income per share impact of the conversion of the convertible notes is less than the basic income per share for both periods presented, the convertible notes are dilutive and accordingly must be included in the fully diluted calculation (after tax interest savings of \$2.2 million per quarter and 8.6 million shares added to the calculation of fully diluted earnings per share).

The Company is reaffirming its previous 2005 guidance, except for income from continuing operations per share- diluted for the full year of 2005, which will increase from the Company's previous guidance range of \$1.78 to \$1.88 to the Company's revised range of \$1.82 to \$1.92, to reflect the solid performance above guidance in the first quarter of 2005. Reference is made to the Company's current report on Form 8-K filed with the Securities and Exchange Commission on February 24, 2005, which sets forth the assumptions used in developing the 2005 guidance and the cautionary statements made as to reliance on this guidance.

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

	THREE MONTHS ENDED MARCH 31,	
	2005	2004
Net operating revenues	\$ 914,108	\$ 787,373
Operating expenses:		
Salaries and benefits	362,788	314,420
Provision for bad debts	93,994	81,092
Supplies	113,569	95,724
Other operating expenses	201,660	172,557
Depreciation and amortization	40,246	36,449
Minority interests in earnings	887	373
Total expenses	813,144	700,615
Income from operations	100,964	86,758
Interest expense, net	22,781	18,047
Income from continuing operations before income taxes	78,183	68,711
Provision for income taxes	30,491	27,115
Income from continuing operations	47,692	41,596
Discontinued operations, net of taxes;		
Loss from operations	(4,086)	(870)
Loss on sale of hospitals	(7,618)	--
Loss on discontinued operations	(11,704)	(870)
Net income	\$ 35,988	\$ 40,726
Income from continuing operations per share-basic	\$ 0.54	\$ 0.42
Income from continuing operations per share-diluted	\$ 0.51	\$ 0.40
Net income per share - basic	\$ 0.41	\$ 0.41
Net income per share - diluted	\$ 0.39	\$ 0.39
Weighted average number of shares outstanding:		
Basic	87,926	98,698
Diluted	98,087	109,136
Net Income per share calculation:		
Net income	\$ 35,988	\$ 40,726
Add - Convertible notes interest, net of taxes	2,189	2,189
Adjusted net income	\$ 38,177	\$ 42,915
Weighted average number of shares outstanding - basic	87,926	98,698
Add effect of dilutive securities:		
Unvested common shares	--	39
Stock awards	1,579	1,817
Convertible notes	8,582	8,582
Weighted average number of shares outstanding - diluted	98,087	109,136

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

	FOR THE THREE MONTHS ENDED MARCH 31,					
	CONSOLIDATED			SAME-STORE		
	2005	2004	% CHANGE	2005	2004	% CHANGE
Number of hospitals (at end of period)	68	65		65	65	
Licensed beds (at end of period)	7,703	7,230		7,168	7,230	
Beds in service (at end of period)	6,298	5,785		5,800	5,785	
Admissions	75,885	68,682	10.5%	71,407	68,682	4.0%
Adjusted admissions	135,341	123,511	9.6%	126,931	123,511	2.8%
Patient days	320,746	285,780	12.2%	299,897	285,780	4.9%
Average length of stay (days)	4.2	4.2		4.2	4.2	
Occupancy rate (average beds in service)	57.8%	54.3%		57.5%	54.3%	
Net operating revenues	\$ 914,108	\$ 787,373	16.1%	\$ 851,343	\$ 785,513	8.4%
Net inpatient revenue as a % of total net operating revenues	51.9%	51.2%		52.0%	51.3%	
Net outpatient revenue as a % of total net operating revenues	47.0%	47.2%		47.0%	47.3%	
Income from operations	\$ 100,964	\$ 86,758	16.4%	\$ 96,495	\$ 85,336	13.1%
Income from operations as a % of net operating revenues	11.0%	11.0%		11.3%	10.9%	
Depreciation and amortization	\$ 40,246	\$ 36,449		\$ 38,235	\$ 36,449	
Minority interest in earnings	\$ 887	\$ 373		\$ 800	\$ 373	
Liquidity Data:						
Adjusted EBITDA	\$ 142,097	\$ 123,580	15.0%			
Adjusted EBITDA as a % of net operating revenues	15.5%	15.7%				
Net cash provided by operating activities	\$ 148,709	\$ 61,731				
Net cash provided by operating activities as a % of net operating revenue	16.3%	7.8%				

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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, 2005	DECEMBER 31, 2004
	-----	-----
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 218,447	\$ 82,498
Patient accounts receivable, net	606,541	597,261
Other current assets	131,206	135,690
	-----	-----
TOTAL CURRENT ASSETS	956,194	815,449
	-----	-----
Property and equipment	1,916,690	1,924,843
Less accumulated depreciation and amortization	(439,455)	(440,295)
	-----	-----
Property and equipment, net	1,477,235	1,484,548
	-----	-----
Goodwill, net	1,205,120	1,213,783
	-----	-----
Other assets, net	122,566	118,828
	-----	-----
TOTAL ASSETS	\$ 3,761,115	\$ 3,632,608
	=====	=====
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current maturities of long-term debt	\$ 25,040	\$ 26,867
Accounts payable and accrued liabilities	397,776	335,492
	-----	-----
TOTAL CURRENT LIABILITIES	422,816	362,359
	-----	-----
Long-term debt	1,794,912	1,804,868
	-----	-----
Other long-term liabilities	241,977	225,390
	-----	-----
Stockholders' equity	1,301,410	1,239,991
	-----	-----
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 3,761,115	\$ 3,632,608
	=====	=====

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

	THREE MONTHS ENDED	
	MARCH 31,	
	2005	2004
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Income	\$ 35,988	\$ 40,726
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	41,137	38,451
Minority interest in earnings	887	373
Loss on sale of hospitals	6,295	--
Other non-cash expenses, net	25	(491)
Net changes in operating assets and liabilities, net of effects of acquisitions	64,377	(17,328)
NET CASH PROVIDED BY OPERATING ACTIVITIES	148,709	61,731
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisitions of facilities and other related equipment	(24,854)	(3,986)
Purchases of property and equipment	(33,166)	(39,897)
Proceeds from sale of hospitals	51,861	--
Proceeds from sale of hospital equipment	2,131	839
Increase in other assets	(7,237)	(7,408)
NET CASH USED IN INVESTING ACTIVITIES	(11,265)	(50,452)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from exercise of stock options	15,958	1,012
Stock repurchase	(4,390)	--
Deferred financing costs	(749)	--
Proceeds from minority investments in joint ventures	1,383	--
Redemption of minority investments in joint ventures	(290)	(993)
Distribution to minority investors in joint ventures	(382)	(328)
Borrowing under credit agreement	--	34,440
Repayments of long-term indebtedness	(13,025)	(45,641)
NET CASH USED IN FINANCING ACTIVITIES	(1,495)	(11,510)
NET CHANGE IN CASH AND CASH EQUIVALENTS	135,949	(231)
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	82,498	16,331
CASH AND CASH EQUIVALENTS AT END OF PERIOD	\$ 218,447	\$ 16,100

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