



CODE of Conduct

STATEMENT OF BELIEFS

Our organization believes that each community served is different and that the success of each hospital depends upon the actions of each employee, physician, contractor, and agent of that hospital. We have adopted the following Statement of Beliefs that summarizes the commitments of the organization's constituents to our patients, employees, physicians, and the communities served.

We are dedicated to providing personalized, caring, and efficient service to our patients with total satisfaction as our top priority.

We recognize the value of each employee in providing high quality, personalized care to our patients.

We encourage employee involvement in quality improvement to improve processes on an ongoing basis.

We advocate employee participation in community activities.

We are committed to involving physicians in partnership, both as consumers of service and as providers in ensuring quality care.

We are devoted through services, quality, and innovation to provide continued healthcare leadership in the communities we serve.

We are dedicated to compliance with all federal, state, and local laws, rules, and regulations, including privacy and security of patient health information, coding, billing, and documentation guidelines, and financial arrangements.

Welcome

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Dear Employees and Colleagues,

It is my pleasure to welcome you to employment or association with Community Health Systems.

When you decided to join Community Health Systems, you made an important personal and professional decision. Your decision included a responsibility not only to provide high quality healthcare, but also to personally conduct yourself in such a way that is consistent with the organization's commitment to operate with the highest standards of integrity and behavior.

Every person, business or government entity that comes in contact with a CHS representative expects this level of commitment, and so do we. It's the way we do business.

We have created a Code of Conduct which starts with our Statement of Beliefs and is an integral part of our compliance program. It should be used with our company policies and procedures, applicable regulations and laws and good common sense. It serves as a solid framework for business decisions and it is mandatory that each of us comply with this Code of Conduct every single day.

As a condition of your relationship or employment with CHS, it is required that you read the Code of Conduct and follow these standards.

Thank you very much.

Sincerely,

A handwritten signature in black ink, appearing to read "Wayne T. Smith". The signature is fluid and cursive, with a large initial "W" and "S".

Wayne T. Smith

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COMMUNITY HEALTH SYSTEMS¹

Our Code of Conduct

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Introduction

The Code of Conduct (the “Code”) is designed to provide all persons and businesses associated with Community Health Systems, Inc. and its subsidiaries (collectively “CHS” or the “organization”) including directors, officers, employees, physicians, contractors, and agents with guidance to perform their daily activities in accordance with the organization’s ethical standards and all federal, state, and local laws, rules, and regulations. The Code is an integral component of the organization’s Compliance Program and reflects our commitment to achieve our goals within the framework of the law through a high standard of business ethics and compliance. This Code of Conduct has been adopted by the Board of Directors of Community Health Systems, Inc. and by each subsidiary.



The Code encompasses a summary of many topics from the Compliance Manual and other department policy manuals. The Compliance Manual and department policy and procedure manuals provide more specific guidance relating to the topics presented in the Code. It is the obligation of CHS colleagues to be knowledgeable about and adhere to the policies within these manuals, as well as the Code of Conduct.

Compliance with all policies incorporated into the Code of Conduct is mandatory. Failure to comply with any of the provisions of this Code of Conduct will result in disciplinary action up to and including termination for employees and cancellation of contractual or business relationships with physicians, contractors, and agents. Violations of portions of this

Code relating to federal healthcare benefit programs may lead to severe consequences including, but not limited to, civil monetary penalties and/or exclusion from federal healthcare benefit programs for employees, physicians, contractors, agents, facilities, or CHS. Questions or concerns regarding interpretation of this Code or any Compliance Manual policy should be addressed to a supervisor, the facility Ethics and Compliance Officer (ECO), the Corporate Compliance and Privacy Officer, or the Confidential Disclosure Program. In the event a question is not satisfactorily answered, contact the Corporate Compliance and Privacy Officer or the Confidential Disclosure Program.

¹ Community Health Systems, Inc. is a holding company. Its subsidiary companies and partnerships own or lease and operate their respective hospitals and other assets and businesses. Community Health Systems, Inc. does not have any employees.

The Role of Management

Though all CHS colleagues are required to follow the Code of Conduct, all managers, directors, supervisors, board members, and corporate staff are expected to set the example by conducting their business affairs consistent with the highest ethical and legal standards. Managers must ensure their staff has the tools to perform assigned tasks according to applicable laws, rules, regulations, and policies. In addition, the Board of Directors of Community Health Systems, Inc. has established the Management Compliance Committee (the “Committee”). The Committee is responsible for the adoption, amendment, and ultimate enforcement of the Compliance Program. The standing members of this committee are:

Wayne T. Smith

Chairman, President and
Chief Executive Officer

W. Larry Cash

Executive Vice President and
Chief Financial Officer

Rachel A. Seifert

Senior Vice President and General Counsel

Martin G. Schweinhart

Senior Vice President, Operations

Carolyn Lipp

Senior Vice President,
Quality and Resource Management

Michael Lynd

Vice President, Internal Audit

Carol Hendry

Vice President, Corporate Compliance
and Privacy Officer

Other members of the senior management team are consulted for their advice and recommendations on particular functions or areas of expertise.

The Corporate Compliance and Privacy Officer for CHS is Carol Hendry. The functions of the Corporate Compliance and Privacy Officer include:

- Overseeing and monitoring the implementation of the Compliance Program.
- Reporting on a regular basis to the Compliance Committees on the progress of implementation, and assisting these committees in establishing methods to improve CHS facility efficiency and quality of services, and to reduce the organization’s vulnerability to fraud, abuse and waste.
- Periodically revising the program in light of changes in the needs of the organization, and in the law and policies and procedures of government and private payer health plans.
- Developing, coordinating, and participating in a multifaceted educational and training program that focuses on the elements of the compliance program, meeting federal requirements, and seeks to ensure that all appropriate employees and management are knowledgeable of, and comply with, pertinent federal and state laws and regulations.
- Seeking to ensure independent contractors and agents who furnish medical and other services to the facilities are aware of the requirements of the Compliance Program.
- Coordinating personnel issues with appropriate human resources officers to determine that employees, medical staff and independent contractors have not been sanctioned such that their continued association with the organization would be detrimental or unlawful.
- Assisting the organization’s financial officers in coordinating internal review and monitoring activities, including periodic reviews of facilities.

- Independently investigating and acting on matters related to compliance, including the flexibility to design and coordinate internal investigations (e.g., responding to reports of problems or suspected violations) and any resulting corrective action with all facilities, departments, providers and sub-providers, agents and, if appropriate, independent contractors.
- Developing policies and programs that encourage managers and employees to report suspected fraud and other improprieties without fear of retaliation.
- Preparing and submitting (after obtaining any appropriate committee approvals) all periodic reports required under the Compliance Program to the Management Compliance Committee, the Board Audit and Compliance Committee, and the government under any corporate integrity agreements or compliance reporting requirements for settlement agreements.



Grievance Resolution

If an individual is concerned about a personnel action that does not involve any violation of law, the Code of Conduct, or Compliance Policy, he/she may file a grievance at the facility where he/she is employed. The facility Human Resources Department can provide a grievance resolution form and assistance in preparing and presenting a grievance. Information regarding employee grievances is held in strict confidence. Refer to your Employee Handbook or to the Human Resources Department for more information.

The Role of the Individual

Every CHS colleague is required to comply with the Code of Conduct. Each individual is expected to perform his/her daily activities with the highest standards of ethics and compliance. All CHS colleagues are required to notify the facility Ethics and Compliance Officer (ECO), the Corporate Compliance and Privacy Officer or the Confidential Disclosure Program of any violations of law, the Code of Conduct, or Compliance Policy.



Code of Conduct in the Workplace

Harassment and Violence

Every employee has a right to a work environment free of harassment or discrimination because of gender, age, race, ethnicity, religion, creed, national origin, sexual orientation or any other attribute or characteristic protected under federal or state law. All colleagues shall treat one another with courtesy, fairness, and respect. We will not tolerate any sexual, racial, ethnic, religious, or other forms of harassment of colleagues or applicants. The organization will take action to fairly and objectively address any complaints of harassment or inappropriate behavior. If you experience or witness such behavior, contact the facility Human Resources Department, the facility Ethics and Compliance Officer (ECO), the Corporate

Compliance and Privacy Officer, or the Confidential Disclosure Program.

Workplace violence, such as stalking, robbery, assault (verbal or physical), battery, vandalism, and other crimes committed by current or former employees or their associates is not acceptable and will not be tolerated. Colleagues must not bring firearms, explosive devices, or other weapons or dangerous materials onto any hospital or affiliate's property. Colleagues who witness any form of violence or harassment are required to report the conduct to the facility Ethics and Compliance Officer, the Corporate Compliance and Privacy Officer, or the Confidential Disclosure Program.



Equal Employment Opportunity

We value the talents and skill sets of each colleague and applicant. The organization is determined to provide an equal opportunity environment and to comply with all laws, regulations, and policies regarding personnel actions. It is the policy of each CHS affiliate to provide equal opportunity without regard to race, religion, color, national origin, age, gender, disability, marital status, veteran status, sexual orientation, or any other characteristics protected by federal, state, or local laws.

Employers do not discriminate against anyone with a disability regarding terms or conditions of employment. Employers will make reasonable accommodations for the disability or other special needs of an employee when conditions permit.

Conflicts of Interest

Employees should not have any personal interests or outside activities that are incompatible, or appear to be incompatible, with the loyalty and responsibility owed to the organization. Employees must avoid any outside financial interest that might influence decisions or actions in the performance of their duties for the organization. This restriction does not apply to minimal holdings of the stock or other securities of a corporation whose shares are publicly traded and which may also do business or compete with a facility or the organization. Such interests might include:

- A personal or family interest in an enterprise that has a business relationship with the organization or a facility.
- An investment in another business that competes with the organization or a facility.

Any financial interest owned or acquired (including by gift or inheritance) must be disclosed immediately to the Corporate Compliance and Privacy Officer or the Corporate Vice President of Human Resources. Divestiture of such interest may be required if the financial interest is deemed to be in conflict with the organization's best interests.



Relationships with Vendors and Suppliers

Employees or their families should not offer or accept kickbacks, rebates, or anything of value to or from any representative of a vendor, supplier, customer, potential customer, patient, physician, financial institution, or similar entity. Such practices are unethical and in many cases illegal.

All employees are expected to maintain impartial relationships with the organization's vendors and suppliers. Employees must be motivated solely to acquire goods, purchase services, and make other transactions on terms most favorable to the organization. Care must be exercised to avoid even the appearance of favoritism on behalf of a vendor or supplier due to personal relationships.

When conducting business with vendors or suppliers, CHS expects employees to make decisions that are in the best interest of the organization. Employees or their families may not accept any gifts (except those of nominal value, special discounts or loans (other than from established banking or financial institutions), excessive entertainment, or substantial favors from any organization or individual that conducts or is seeking to conduct business with the organization. Reasonable judgment should be used in the determination of "excessive or substantial," and acceptance made only with the approval of a supervisor. Questions should be directed to the Corporate Compliance and Privacy Officer.

Code of Conduct in the Workplace

Professional Licenses, Certifications & Credentials

Colleagues who are required to maintain professional licenses, certifications, or credentials must maintain these items in a current and up-to-date status while complying with all pertinent federal, state, or local requirements governing their field of expertise. Proof of current professional licenses, certifications, or credentials must be supplied upon request. No colleague requiring a professional license, certification, or credential will be allowed to perform their job duties or contracted assignments until such time he/she meets this requirement.

Substance Abuse and Controlled Substances

The use of intoxicating, addictive, or illegal drugs while on the job or on the premises is prohibited. Use of such substances off the job or off premises may also be the subject of disciplinary action if such use impairs the colleague's job performance or endangers the health and safety of patients or other colleagues. All potential employees are subject to a pre-employment drug screen. In addition to pre-employment screening, the organization has implemented other drug screening programs to detect and deter the inappropriate use of drugs in the workplace.

At times, employees may need to take prescription or over-the-counter drugs that could impair their job performance. It is important for them to notify a supervisor if their medication could adversely affect their job performance.

Use of Organizational Assets

The assets of the organization are to be used solely for the benefit of the organization. Each employee is responsible for assuring that assets are used only for valid purposes. These assets include, but are not limited to, physical plants, equipment, corporate funds, drugs, medical supplies, office supplies, business strategies, financial data, and other information about the organization's business. These assets will not be used to provide personal gain for employees or others. Improper use or removal of the organization's assets is a violation of the Code of Conduct and possibly a violation of the law.

Employees may not transfer any of the organization's assets to other people except for fair market value consideration and in the ordinary course of business. Occasionally, some assets of the organization deemed no longer needed in the business may be sold to employees. Such sales must be properly approved, documented, and signed by appropriate supervisory personnel other than the employee.

Outside Employment

Department heads and supervisory personnel above the department head level may not be employed by any other competing healthcare entity while employed by a CHS affiliated entity.

During nonworking (personal) times, nonexempt (hourly) employees may work for other healthcare entities provided it does not interfere with their job performance with their facility.



Health, Safety, and the Environment

We are committed to providing a safe and healthy workplace for all colleagues, customers, patients, and visitors. We are equally committed to minimizing any negative impact upon the environment. These commitments can be achieved through the awareness and cooperation of all colleagues.

Each colleague is responsible for abiding by safe operating procedures, guarding his/her own health along with his/her coworkers, utilizing pollution control systems, and following safe and sanitary procedures for the disposition of industrial and hazardous waste materials. Colleagues are encouraged to report to a supervisor, department head, the facility Ethics and Compliance Officer (ECO), the Corporate Compliance and Privacy Officer, or the Confidential Disclosure Program any condition they perceive to be unsafe, unhealthy, or hazardous to the environment.

Inside Information and Securities Trading

Inside information, such as acquisition plans, financial and operating data (before it is publicly released), marketing plans, or other business material is nonpublic information. At times, colleagues may become aware of inside information, but the use of inside information for personal gain is strictly prohibited and possibly against the law. In addition, disclosing inside information to colleagues, relatives, or friends in an effort to influence their decision to buy, sell, or hold the parent company's or any other company's securities or stock options is strictly prohibited. Inside information should only be shared with people inside the organization whose jobs require the information. For more information, a detailed "Statement of Company Policy – Securities Trades by Company Personnel" is available on the Legal Department intranet web page.

Colleagues may not engage in any illegal or improper acts to acquire a competitor's trade secrets, customer lists, technical developments, or operations. In addition, a competitor's employees shall not be hired for the purpose of obtaining confidential information about the competitor. Competitor's personnel, customers, or suppliers must not be urged or coerced to disclose confidential information, nor shall such information be sought from competitor's employees subsequently hired by the organization.

Government or Union Officials

Employees will not offer any government employee, union official, or their representatives any meals, entertainment, or gifts that would cause the recipient to be in violation of applicable law, regulation, or policy.

Patients

Confidentiality of Patient Information

When a patient enters a CHS affiliated facility, a large amount of personal, medical, and insurance data is collected and used to satisfy information needs including the ability to make decisions about a patient's care. We consider patient information highly confidential. All of the facilities within the organization have specific policies describing patient confidentiality and release of information rules that conform to federal, state, and local laws governing the release or disclosure of health information.

Colleagues must never disclose or release confidential patient information in a manner that violates the privacy rights of a patient. Patient information may only be discussed or released in accordance with release of information laws, which may require the express written authorization of the patient. Colleagues should not have access to or use any patient information unless it is necessary to perform his/her job.

In some circumstances, a patient's written authorization for release of information is not required. For example, patient information can be requested from another healthcare institution or physician without the patient's authorization in a medical emergency. Some federal, state, and local agencies may require hospitals to release information without the patient's written authorization under such circumstances as a court order, a search warrant, a subpoena duces tecum, situations of suspected child abuse, various registries, and federal healthcare programs. When in doubt, contact the Corporate Compliance and Privacy Officer.



Emergency Medical Treatment

All hospitals must comply with the Emergency Medical Treatment and Active Labor Act ("EMTALA") when providing emergency medical care. All persons arriving on a hospital's property or in the emergency department and requesting a medical examination for an emergency medical condition will receive a medical screening examination to determine if such a condition exists. Colleagues should escort any person seeking this examination and/or treatment to the emergency department. If an emergency medical condition exists, the patient will be provided with medical treatment to stabilize the condition and/or an appropriate transfer to another facility. Medical screening will not be delayed to inquire about an individual's ability to pay including obtaining or verifying insurance information or advising the patient of his/her financial responsibility for payment of services rendered if he/she receives treatment.

Patient Rights

Patients have a right to healthcare at the organization's facilities without regard to gender, race, ethnicity, cultural, or religious background. Facilities shall not discriminate against patients whose care is paid for under the Medicare, Medicaid, or other governmental payer program.

Upon admission, each patient will receive a written copy of the patients' rights and responsibilities. Patients' rights include, but are not limited to, the right to:

- Know the risks, benefits, and alternatives to proposed treatments or procedures.
- Information about the physicians or other clinicians that will be providing the patient's care or treatment.
- Receive information in easy to understand terms that will allow for an informed consent or refusal of the treatment or procedure.
- Privacy regarding their medical care.
- Participate in the plan of care.
- Formulate advanced directives and to have staff and practitioners comply with those directives.

- Reasonable responses to reasonable requests for service.
- Leave the hospital against the advice of the physician.
- Examine and receive an explanation of the bill for services regardless of the source of payment.
- Select providers of goods and services after discharge.
- Receive a Notice of Privacy Practices.
- Ask for a restriction on use or disclosure of their protected health information.
- Access their protected health information.
- Ask that amendments be made to their protected health information.
- Ask for an accounting of disclosures of their protected health information.

All patients' rights also apply to persons who may have legal guardianship or responsibility for healthcare decisions on behalf of the patient.



The Code and Our Customers

Physicians Financial Arrangements

The organization has established policies regarding the financial relationships, including ownership and compensation arrangements, between CHS affiliates and physicians and any other referral sources. All agreements for the payment or receipt of money, goods, services, or anything of value with physicians must be in writing and comply with the federal law and regulations commonly known as the Stark Law. Such financial relationships must also be reviewed to ensure compliance with the federal Anti-Kickback Statute. All facilities are prohibited from entering side agreement(s) with physicians. Before accepting physician agreements, they must be approved by both the appropriate Division President and the Corporate Legal Department. These approvals must be obtained even if the agreement complies with the Compliance Manual policies. Issuance of payment to physicians under agreements must be supported by all required documentation, e.g., certification of hours of service or submission of executed agreement with request for payment.

Referrals

We will not pay for referrals nor will we accept payment for referrals made to other entities. All payments made to physicians and/or other entities must be pursuant to current written agreements and must be at fair market value for actual services performed. We will not consider the value or volume of referrals, or other business generated between parties.

Third-Party Payers Coding and Billing

All individuals responsible for coding and billing for services will adhere to all official coding and billing guidelines, rules, regulations, statutes, and laws. Please refer to the Coding Compliance Policy in the Compliance Manual for further information. Colleagues are prohibited from knowingly causing or permitting false or fraudulent claims. Furthermore, colleagues shall not engage in any intentional deception or misrepresentation intended to influence any entitlement or payment under any federal healthcare benefit program. Claims must only reflect the actual services ordered, documented, and performed. Coding of diagnoses and procedures will be in accordance with CMS recognized coding guidelines, such as those provided in *AHA Coding Clinic for ICD-9-CM*.

The organization will audit and monitor using valid statistical sampling methodologies to verify the accuracy and validity of coded data and claims regardless of the source of payment.

Cost Reports

We receive reimbursement under government and certain non-government healthcare programs that require the filing of reports on the costs of operation. The organization will comply with all federal, state, and local laws, rules, and regulations relating to all cost reports. We will utilize acceptable practices to determine allowable costs and reimbursement for the costs of services provided to program beneficiaries. Questions regarding the completion and/or settlement of a cost report must be directed to the Corporate Revenue Management Department.

Accrediting Bodies & Regulatory Compliance

CHS affiliated facilities seek accreditation from various agencies and accrediting bodies, and CHS mandates that all standards required by those accrediting bodies are followed. All colleagues should relate with accrediting agencies and bodies in a forthright manner. No action, either directly or indirectly, will be taken to mislead a surveyor or survey team.

The organization operates in many states where services may be provided only pursuant to federal, state, and local laws, rules, and regulations. These laws and regulations may include, but are not limited to, certificates of need, licenses, permits, certifications, access to treatment, consent to treatment, medical record maintenance, release of information and confidentiality, patient rights, advance directives, medical staff membership and privileges, organ donors, and Medicare and Medicaid regulations.

Facilities and colleagues must comply with all applicable federal, state, and local laws, rules, and regulations. Any colleague who witnesses or suspects any violations of any law or regulation must

immediately report said violation or suspected violation to a supervisor, the facility Ethics and Compliance officer (ECO), the Corporate Compliance and Privacy Officer, or the Confidential Disclosure Program.

During a government inspection, colleagues must not destroy, conceal, or alter any documents. Furthermore, colleagues must not lie or make misleading comments to a government inspector. Colleagues must not obstruct others from providing accurate information to the government inspector, nor mislead nor delay the communication of information or provision of records relating to an inspector's requests.

Facilities must notify the Senior Vice President, Quality and Resource Management, in the event of a visit by an inspection or survey team at 615-465-7503.

Upon presentation of a search warrant, subpoena, or other criminal or administrative legal process by a law enforcement official (e.g., FBI, State Bureau of Investigation, US Department of Justice, HHS Office of the Inspector General, etc.), notify the Senior Vice President, General Counsel at 615-465-7349.



Financial Reporting and Records

As a public organization, our integrity and reputation depend upon the accuracy and completeness of our financial statements. All accounts and financial records must be maintained strictly in accordance with the CHS Financial Policies and Procedures Manual, as amended. Colleagues must always keep in mind that each bookkeeping and financial entry will ultimately be incorporated into our consolidated financial statements. Our consolidated financial statements are certified by our officers as being true and correct and not misleading and are presented to the public and the federal government in accordance with generally accepted accounting principles and all Securities and Exchange Commission rules and regulations. All personnel who make bookkeeping and financial entries, prepare financial reports and statements, and disperse assets (especially cash) have special ethical obligations as you perform your duties. When you sign your annual acknowledgement of the CHS Code of Conduct, you are certifying adherence with the following principles:

To the best of my knowledge and ability:

1. I act with honesty and integrity, avoiding actual or apparent conflicts of interest in personal and professional relationships.
2. I provide constituents with information that is accurate, complete, objective, relevant, timely and understandable.
3. I comply with rules and regulations of federal, state, provincial and local governments, and other appropriate private and public regulatory agencies.



4. I act in good faith, responsibly, with due care, competence and diligence, without misrepresenting material facts or allowing my independent judgment to be subordinated.
5. I respect the confidentiality of information acquired in the course of my work except when authorized or otherwise legally obligated to disclose. Confidential information acquired in the course of my work is not used for personal advantage.
6. I share knowledge and maintain skills important and relevant to my constituents' needs.
7. I proactively promote ethical behavior as a responsible partner among peers in my work environment.
8. I achieve responsible use of and control over all assets and resources employed or entrusted to me.

Confidential Information

Confidential information acquired during the course of employment or contract with the organization is not to be discussed with anyone outside the organization and only discussed within the organization on a need to know basis. Except with proper written authorization by the organization or where required by law, colleagues may not use, or disclose to others, any trade secrets or confidential technology, proprietary information, customer lists, or any other knowledge gained as a result of his/her employment. Upon termination, a colleague is prohibited from taking, retaining, copying, or directing any other person to take, retain, or copy any papers, data, clients lists, books, records, files, or any other type of documentation or confidential information belonging to the organization without prior written permission.

Retention & Disposal of Documents and Records

Legal and regulatory practice requires the retention of certain records for various periods of time, particularly in the following areas: health information, patient accounting, tax, personnel, health and safety, environment, contract, and corporate office. In addition, no records or files may be destroyed when there is pending or imminent litigation, government investigation, or an audit; relevant records must not be destroyed until the matter is closed. Destruction of records and/or files to avoid disclosure in a legal proceeding may constitute a criminal offense. Employees should consult the organization's various record retention policies before any records and/or files are destroyed. All medical and business records must be retained in accordance with the laws in the state in which the facility is located.

Electronic Media, Records and Documents

Many different types of media are used by the organization to create, store, maintain, and communicate information. Electronic media such as telephones, other communications systems, e-mail, Internet access, and voice mail are provided to colleagues for business use. Since these electronic media are the property of the organization, colleagues should assume these communications are not private and may be monitored. Any patient and/or confidential information must not be conveyed by any media sources unless appropriate security measures are in place. Colleagues must not use the organization's electronic media to distribute or transmit any threatening, malicious, false, or obscene materials.

E-mail and internet facilities and access shall be used only by authorized users in the performance of their assigned job duties. Responsible, incidental personal use is acceptable, provided that it does not (a) interfere with the colleague's (or another colleague's) performance of job duties, (b) use the resources in a manner that limits or impedes their use of access for legitimate business purposes, or (c) violate this or any other organization or facility policy.

Political Activities & Contributions

The organization supports employee participation in civic affairs and political activities. These affairs and activities must not create a conflict of interest with the organization nor reduce the employee's work performance. Employees must recognize that involvement and participation in political activities is on an individual basis, on their own time, and at their own expense. When employees speak on public issues, they must make it clear to the audience that their comments are their own personal viewpoints.

No employee is authorized to contribute, directly or indirectly, any assets of any CHS affiliate including cash or the work time of any employee, to any political office holder, party or campaign of any candidate for federal, state, or local office without following the appropriate corporate approval process.

Community Service

The organization encourages colleagues to participate in community service projects. The service project must not create a conflict of interest with the organization nor reduce the colleague's work performance.

The Corporate

Program Structure

The Compliance Program has been developed and adopted in furtherance of the understanding and commitment of the management of the organization that all activities of the organization and the organization's employees and those acting on their behalf shall be conducted in a legal and ethical manner. Although aspects of the Compliance Program focus on various legal areas, the primary focus of the Compliance Program is to ensure that internal policies and controls, training and education, and auditing and monitoring are in place to help prevent and detect fraud, abuse, and waste in government health care programs.

We are committed to the development and implementation of an effective and voluntary compliance program that meets or exceeds the requirements and expectations of government regulators and industry norms and standards.

We are committed to creating and maintaining an organizational culture that promotes prevention, detection, and resolution of instances of conduct that do not conform to federal, state, or local laws, rules, and regulations; federal health care benefit program requirements; or the Code of Conduct.



Compliance Program

The structure of the Corporate Compliance Program is guided and approved by the Management Compliance Committee. There is also a Corporate Compliance and Privacy Officer, a Corporate Compliance Work Group, Facility Compliance Committees, and facility Ethics and Compliance Officers (ECOs). Additional elements of the ongoing Compliance Program include:

- Maintenance, publication, and distribution of the Code of Conduct and Compliance Manual policies and procedures.
- Analysis of standard auditing and monitoring functions.
- Use of standard audit results to determine targets for improvement and education.
- Preparation and implementation of system-wide policies, procedures, and tools to comply with federal, state and local laws, statutes, and regulations (e.g., the False Claims Act, HIPAA, PPS, etc.).
- Performance of new hospital acquisition compliance assessments.
- Continuation of the compliance training and education program.
- Enhancement of the Confidential Disclosure Program.
- Investigation of reports received through the Confidential Disclosure Program.
- Assessment of CHS affiliates and of the Compliance Program.
- Periodic reports to the CHS Board of Directors Audit and Compliance Committee (Board Compliance Committee).

The Corporate Compliance and Privacy Officer for the CHS Compliance Program is Carol Hendry, Vice President, Corporate Compliance and Privacy Officer.

Reporting Questions or Concerns

Questions or concerns about potential compliance or privacy violations may be addressed to any of the following:

- Your supervisor or department head.
- Any supervisor or department head.
- The facility Ethics and Compliance Officer (ECO).
- The facility Privacy Officer.
- The Corporate Compliance and Privacy Officer at 1-615-465- 7150.
- The Confidential Disclosure Program Hotline at 1-800-495-9510.

If a colleague feels a question or concern is not resolved appropriately, the colleague should report the matter immediately to the Confidential Disclosure Program hotline or to the Corporate Compliance and Privacy Officer.

Reporting Violations

Violations and unresolved suspected violations of any laws, rules, regulations, and/or the Code of Conduct must be reported to the Corporate Compliance and Privacy Officer or through the Confidential Disclosure Program.

Failure to report a known or suspected violation of the law, Code of Conduct, or any Compliance Policy could subject an individual to disciplinary action. However, intentionally false or misleading reports made with the intent to damage another person's reputation violate the Code of Conduct.

The Corporate Compliance Program

Federal and State False Claims Act Laws

The federal Deficit Reduction Act requires that certain entities, such as CHS, provide their employees, contractors and agents with information related to the federal False Claims Act (FCA) law. This law provides that civil penalties may be imposed against any person or entity that knowingly presents or causes to be presented a false or fraudulent claim to a federal healthcare program for payment. In addition to civil monetary penalties, violators of the federal False Claims Act may be subject to up to treble damages for each false claim submitted to federal healthcare programs. The federal False Claims Act includes whistleblower protection provisions that protect any individual who is discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against for filing an action under the federal False Claims Act.

Many states have enacted False Claims Act statutes that contain provisions that are similar to the federal statute, including whistleblower provisions.

More specific information about the federal and state False Claims Act laws is available in Compliance Policy K11 – “Preventing, Detecting and Reporting Fraud, Waste and Abuse” which may be found on the CHS intranet Compliance webpage and may also be found at www.chs.net under the electronic version of this Code of Conduct.

Confidential Disclosure Program

We have established a Confidential Disclosure Program for all colleagues and other individuals of all subsidiaries and affiliates of the organization to report known or suspected conduct or activities by any person engaged in the performance of duties for the organization that violates the Code of Conduct, any Compliance Manual Policy, or any federal, state, or local laws, rules, and regulations. This program may also be used for individuals who are uncertain whether an action violates the Code and would like to communicate with the organization on a confidential basis.

An individual reporting known or suspected improper conduct is not required to identify himself/herself. Anonymous calls and communications will be investigated and acted upon in the same manner as calls where the caller or writer reveals his/her identity. No effort will be made to determine the identity of an individual making an anonymous report unless the individual admits to engaging in improper conduct. Individuals are encouraged to describe the conduct or incident in sufficient detail to enable the organization to investigate the matter.

CHS policy, the FCA, and other state and federal laws provide protection from retribution or retaliation against any person for reporting actual or suspected violations of the Code, law, or policy. Any supervisor who attempts to divert, discourage, or retaliate against a colleague for reporting a compliance concern will be subject to severe discipline, up to and including discharge.

Confidential Disclosure Program Hotline: 1-800-495-9510

Mailing Address:

Corporate Compliance and Privacy Officer
Community Health Systems
4000 Meridian Boulevard
Franklin, Tennessee 37067

Investigation of Violations

Prompt, appropriate, confidential investigations into all Program calls, letters, and other forms of communication, both direct and indirect, including reports of site visits conducted by Work Group members and their staffs will be made. The Corporate Compliance and Privacy Officer or her designee will coordinate any findings from the investigations and recommend corrective and/or disciplinary actions.

Corrective Action

Once a reported violation is substantiated through the investigation process, we will initiate corrective action. When appropriate, the affiliated facility will return any overpayment amounts, notifying the correct governmental agency of the overpayment situation. Corrective action will be taken promptly to prevent similar occurrences at any CHS facility or affiliate.

Discipline

Common sense, good business judgment, and ethical behavior are expected from each employee. Violations of the Code of Conduct or organization policies will be subject to the organization's normal disciplinary procedures. Disciplinary action that may be taken includes, but is not limited to, informal counseling, verbal and/or written warnings, investigative or disciplinary suspension, probation, demotion, or termination.



Acknowledgement

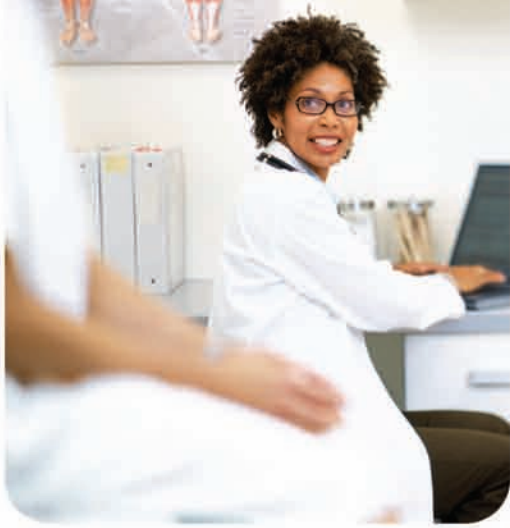
The Code of Conduct is a mandatory policy of the organization.

All colleagues will sign a form indicating they have received a copy of the Code, have read it, and understand it. In addition, all colleagues will reaffirm these actions on an annual basis.

Compliance with the Code of Conduct and other policies will be considered in annual employee evaluations and in decisions regarding promotion and compensation for all employees.

The Code of Conduct is a unilateral statement of policy by CHS. Nothing in this Code is intended to create enforceable employee contract rights. Revision adopted by the Board of Directors of Community Health Systems, Inc. on February 27, 2008 (supersedes the revision adopted December 13, 2006).

¹ *Community Health Systems, Inc. is a holding company. Its subsidiary companies and partnerships own or lease and operate their respective hospitals and other assets and businesses. Community Health Systems, Inc. does not have any employees.*



Acknowledgement

I acknowledge that I have received, read and understand the Community Health Systems (“CHS”) Code of Conduct.

I agree to abide by the policies summarized in the Code of Conduct and all federal, state, and local laws, rules and regulations for the duration of my association with CHS.

Signature

Printed Name

Date

Facility

CHS-CODE-ACK 02-08

