

AMENDED AND RESTATED COMPENSATION COMMITTEE CHARTER

The Board of Directors of Community Health Systems, Inc. (the "Company") has established a Compensation Committee (the "Committee") with general responsibility and specific duties as described below:

COMPOSITION

The Committee shall be comprised solely of independent directors according to independence standards established by the Governance and Nominating Committee consistent with applicable statutes, regulations, and New York Stock Exchange Listing Standards as may be in effect from time to time. Committee members shall be elected by the Board at its annual meeting and shall serve until their successors are duly elected and qualified. The Committee's chairperson shall be designated by the full Board, or if the Board does not do so, by vote of a majority of the full Committee. The Committee may form and delegate authority to subcommittees where appropriate.

RESPONSIBILITY

The primary purpose of the Committee shall be to (i) assist the Board in discharging its responsibilities relating to compensation of the Company's executives; (ii) approve awards and grants of equity-based compensation arrangements to directors, employees, and others pursuant to the Community Health Systems Amended and Restated 2000 Stock Option and Award Plan; (iii) administer the Community Health Systems, Inc. 2004 Employee Performance Incentive Plan with regard to the employees to whom Section 162(m) of the Internal Revenue Code applies; and (iv) produce an annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations.

ATTENDANCE

Members of the Committee should endeavor to be present, in person or by telephone, at all meetings; however, two Committee members shall constitute a quorum.

MINUTES OF MEETINGS

Minutes of each meeting shall be prepared and sent to Committee members and presented to Company Directors who are not members of the Committee.

SPECIFIC DUTIES

The Committee shall:

1. In consultation with management, establish the Company's general policies relating to employee compensation, and oversee the development and implementation of compensation programs.
2. Review and make recommendations to the Board with respect to the adoption, amendment and termination of the Company's management incentive-compensation and equity-compensation plans, oversee their administration and discharge any duties imposed on the Committee by any of those plans.

3. Review and approve corporate goals and objectives relevant to the Chief Executive Officer's ("CEO") compensation, evaluate the CEO's performance in light of those goals and objectives, set the CEO's compensation level based on this evaluation, and provide to the Board's Independent Directors the results of such evaluation for the purpose of an Annual Performance Review of the CEO.
4. Assess the competitiveness and appropriateness of, determine, and authorize, the salaries, variable compensation, long term incentive plan awards, terms of employment, retirement or severance, benefits, and perquisites of the Executive Officers of the Company, subject to the limitations set forth in the applicable plans pursuant to which such compensation or awards are to be granted or determined.
5. Authorize the granting of variable compensation and equity awards to other employees and delegate to the CEO, to the extent the Committee deems appropriate, the authority to allocate such awards among employees other than the Executive Officers, subject to the limitations set forth in the applicable plans pursuant to which such compensation or awards are to be granted.
6. As requested by the full Board, review management's long-range planning for executive development and succession, and develop a CEO succession plan.
7. Prepare the Committee's annual report on executive compensation for inclusion in the Company's proxy statement, in accordance with applicable rules and regulations, and review and approve, prior to publication, the Compensation sections of the proxy statement and/or annual report.
8. Obtain reports from the Company's General Counsel, if needed, to review Director and Executive Officer transactions in the Company's stock to evaluate short-swing profit liability under Section 16(b) of the Securities and Exchange Act of 1934. If necessary, assist in recouping such profits from the Director or Officer in question.
9. Perform other review functions relating to management compensation and Human Resources policies, as the Committee deems appropriate.
10. Conduct an evaluation of the Committee's performance and charter at least annually, and recommend to the Board such Committee Charter changes as the Committee deems appropriate.
11. Regularly report to the Board regarding the Committee's activities.

APPOINTMENT OF ADVISORS

The Committee shall have the sole authority to retain, and approve the fees and other retention terms of, executive compensation, legal and other advisors, as it deems necessary for the fulfillment of its responsibilities.

APPROVAL AND ADOPTION

As adopted by the Compensation Committee on December 9, 2002, and approved by the Board of Directors on December 10, 2002.

Revisions reviewed and adopted by the Compensation Committee and approved by the Board of Directors on February 24, 2004.

Revisions reviewed and adopted by the Compensation Committee on February 22, 2005 and approved by the Board of Directors on February 23, 2005.