



PHYSICIANS REGIONAL MEDICAL CENT

Investor Presentation

2nd Quarter Ended June 30, 2019



Disclaimer Statement

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995 that involve risk and uncertainties. All statements in this presentation other than statements of historical fact, including statements regarding projections, expected operating results, and other events that depend upon or refer to future events or conditions or that include words such as -looking statements. Although the Company believes that these

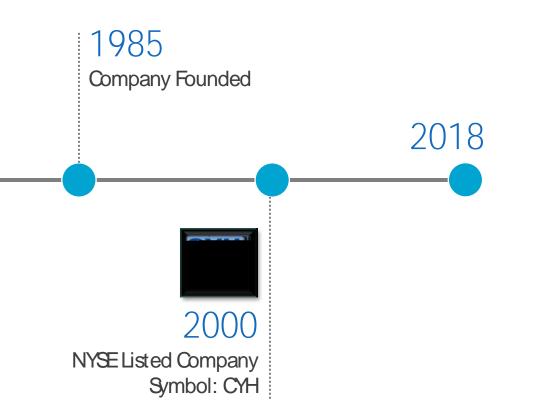
forward-looking statements are based on reasonable assumptions, these assumptions are inherently subject to significant economic and competitive uncertainties and contingencies, which are difficult or impossible to predict accurately and may be beyond the control of the Company. Accordingly, the Company cannot give any assurance that its expectations will in fact occur and cautions that actual results may differ materially from those in the forward-looking statements. A number of factors could affect the future results of the Company

COMPANY BACKGROUND



CHS Background





Executing Across the Portfolio

De CHS Realin System

Investments provide platform for strong performance.

Leveraging recent strategic investments Strategies are aligned with

opportunities

Portfolio is wellpositioned

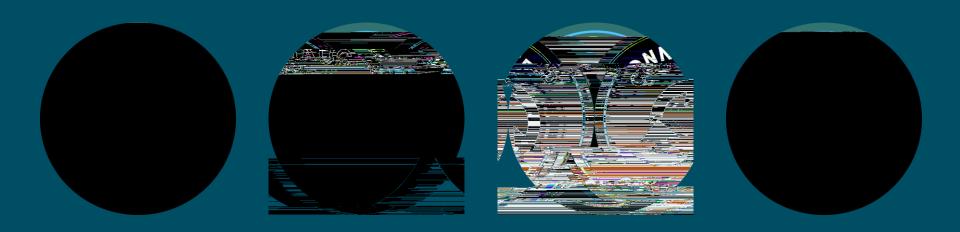
Over 80% of our hospitals are in CSAs above 50,000 residents

Attractive larger markets with growth potential

CHSStrategic Imperatives



Our Strategic Imperatives are the most highly-prioritized, high-impact areas of focus for our organization.



Committed to Quality and Safety

By leveraging techniques from high-risk industries such as nuclear power and aviation, CHS is creating inherently safe hospital environments for patients and staff.

DRIVERS OF HIGH RELIABILITY & SAFETY

SAFETY IS A CORE VALUE

SERIOUS SAFETY EVENT RATE



CHS Regional Network Model



The regional network model provides a direct connection to CHS resources while promoting agility and quicker execution of strategic opportunities.

TOP 5 STATES

	Hospitals	YTD 6-30- 2019 %of Net Revenue
Florida	18	15.0%
Indiana	11	13.1%
Texas	12	12.2%
Alabama	6	10.4%

4 of our top 5 states include the regional leadership model.

DRIVING GROWTH





Outpatient Developments



Outpatient strategies are driving growth.

53% of net revenue comes from outpatient services



Accountable Care Organizations

CHS is focused on strategic physician alignment to further advance value-based care.

15 Medicare ACOs

	2018 RESULTS			2019	
4K+	500+	260k	97%	4 150	+20k
Participating Providers	Participating Practices & Hospitals	Attributed Medicare Lives	Provider Retention	New Independent Physicians	New Medicare Lives

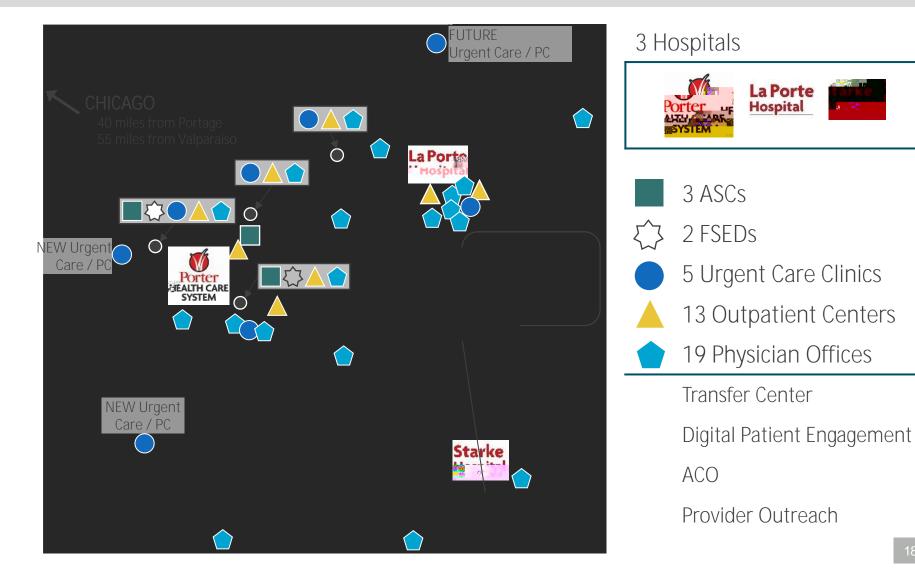




Care Continuum - NW Indiana Market



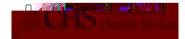
Northwest Indiana is a prime example of a market intentionally designed to capture patients across the care continuum.



ADVANCING OPERATIONAL INITIATIVES



Operational Efficiency



CHS is leveraging technology and scale to deliver operational excellence.





FINANCIAL PERFORMANCE



Payor Mix (Consolidated)

OSCIERS Health System

Payor mix is presented as a percent of net revenue after the provision for uncollectible revenue.

Total consolidated uncompensated care as a percent of adjusted net revenue (net revenue before the provision for uncollectible revenue + charity care + administrative self pay discount) for the three months ended June 30, 2019, was 31.8% compared to 31.0% for the same period in 2018.

Key Managed Care & Other Medicaid Medicare Self-Pay

2Q 2019 Highlights



	2Q 2019 compared to 2Q 2018		 YTD 2019 compared to YTD 2018		
	Consolidated Same Store		Consolidated	Same Store	
Net Operating Revenue	-7.3%	4.9%	-7.9%	4.0%	
Net Revenue per AA		3.1%		2.7%	

Admissions	-11.5%	2.3%	 -12.5%	1.1%
Adjusted Admissions	-12.3%	1.8%	-12.5%	1.3%
Surgeries	-9.9%	3.4%	-9.4%	3.5%
ER Visits	-13.8%	2.4%	 -15.4%	0.2%





Rationalizing Our Portfolio

Allowing for greater investments in stronger markets as well as debt reduction.

Transactions Completed in 2017

Completed the sale of 30 hospitals Annualized revenue: ~\$3.4 billion, with mid-single digit BITDA margins Gross proceeds, excluding working capital: ~\$1.7 billion

2018 and 2019 Divestiture Plan

Total contemplated divestitures accounted for at least \$2.0 billion of 2017 annual net revenue, with mid-single digit BITDA margins Total estimated gross proceeds, excluding working capital of ~\$1.3 billion Expect the remainder of these divestitures to close during 2019

Transactions Completed in 2018

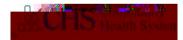
Completed the sale of 13 hospitals (includes 2 SC hospitals with effective date of 1/1/2019) 2017 annual revenue: ~\$1.1 billion, with low-single digit EBITDA margins Gross proceeds, excluding working capital: ~\$400 million

Hospital Closures in 2018

Closed 3 hospitals

Transactions in 2019

In 1Q19, completed the sale of 1 hospital in NJ and 4 hospitals in SC In 3Q19, completed the sale of 1 hospital in TN and 1 hospital in TX 3 hospitals under definitive agreements (2 in FL and 1 in WV)



Positioned for Growth

SOLUTIS Health System

Strategic execution and targeted capital investments provides a platform for 2019 and beyond.

1. Developing Stronger Markets

2. Driving Growth

IMPROVED REVENUE & EBITDA

3. Advancing Operational Initiatives

APPENDIX: Other Financial Information



Unaudited Supplemental Information



EBITDA is a non-GAAP financial measure which consists of net loss attributable to Community Health Systems, Inc. before interest, income taxes, and depreciation and amortization. Adjusted EBITDA, also a non-GAAP financial measure, is EBITDA adjusted to add back net income attributable to noncontrolling interests and to exclude the effect of discontinued operations, loss (gain) from early extinguishment of debt, impairment and (gain) loss on sale of businesses, expense incurred related to the sale of a majority ownership interest in the Company's home care division, expense (income) related to government and other legal settlements and related costs, expense related to employee termination benefits and other restructuring charges, expense (income) from settlement and fair value adjustments on the CVR agreement liability related to the HMA legal proceedings and related legal expenses, the overall impact of the change in estimate related to net patient revenue recorded in the fourth guarter of 2017 resulting from the increase in contractual allowances and the provision for bad debts, the impact of a change in estimate to increase the professional liability claims accrual recorded during the second guarter of 2019 with respect to claims incurred in 2016 and prior years, and expense related to the valuation allowance recorded in the second guarter of 2019 to reserve the outstanding balance of a promissory note received from the buyer in connection with the sale of two of the Company's hospitals in 2017. During the six months ended June 30, 2019, the Company experienced a significant increase in the amounts paid to settle outstanding professional liability claims, compared to the same period in the prior year and to previous actuarially determined estimates. This increase in claims paid related to claims incurred in 2016 and prior years and was primarily related to divested hospitals. The settlement of these claims at amounts greater than the previously determined actuarial estimates resulted in the Company recording a \$70 million change in estimate during the three months ended June 30, 2019. Additionally, the expense related to the valuation allowance was recorded by the Company in the second guarter of 2019 following the filing of Chapter 11 bankruptcy proceedings by the buyer of these hospitals based on management's assessment of the buyer's ability to make payments under the promissory note in these bankruptcy court proceedings. The Company has included these adjustments in the calculation of Adjusted EBITDA based on our belief that the increase in the amounts paid to settle outstanding professional liability claims as well as the anticipated inability of such buyer to make payments under the promissory note were outside of the ordinary course of the Company's operations and not reflective of the Company's underlying results of operations in light of the intended purpose of Adjusted EBITDA in assessing the Company's operational performance and comparing the Company's performance between periods. The Company has from time to time sold noncontrolling interests in certain of its subsidiaries or acquired subsidiaries with existing noncontrolling interest ownership positions. The Company believes that it is useful to present Adjusted EBITDA because it adds back 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 reports Adjusted ÉBITDA as a measure of financial performance. Adjusted EBITDA is a key measure used by management to assess the operating performance of the Company's hospital operations and to make decisions on the allocation of resources. Adjusted EBITDA is also used to evaluate the performance of the Company's executive management team and is one of the primary targets used to determine short-term cash incentive compensation. In addition, management utilizes Adjusted EBITDA in assessing the Company's consolidated results of operations and operational performance and in comparing the Company's results of operations between periods. The Company believes it is useful to provide investors and other users of the Company's financial statements this performance measure to align with how management assesses t

Unaudited Supplemental Information



The following table reflects the reconciliation of Adjusted EBITDA, as defined, to net loss attributable to Community Health Systems, Inc. stockholders as derived directly from the condensed consolidated financial statements (in millions):

Diluted EPS Excluding Adjustments



	Three Months Ended June 30,		Six Months Ended June 30,			
		2019	2018		2019	2018
Net loss, as reported	\$	(1.47)	\$ (0.97)	\$	(2.51)	\$ (1.20)
Adjustments:						
LOSS (galin3)477037763326/je/t/13/333371n0e0556/cde407ET9T101445.15	374.1	4 Tm {)]TJETBT	(0.44)		0.21	(0.41)
Impairment and (gain) loss on sale of businesses, net		0.33	1.29		0.58	1.53
Expense from government and other legal settlements and related costs		0.03	0.01		0.06	0.05
Expense from settlement and fair value adjustments and legal expenses related to cases covered by the CVR		0.01	0.03		0.02	0.06

Expense related to employee termination benefits related to employ285.91 Tm(.07 245(s)-3(e)5(tt)631 39-4(01]TJETBT2 Tm()9(659-4(71 0 0 1 284.

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

Balance Sheet Data



(\$ in millions)	June 30, 2019	December 31, 2018		
Working Capital	\$ 981	\$ 1,157		
Total Assets	\$ 16,132	\$ 15,859		
Long Term Debt	\$			

At June 30, 2019, over 99% of our debt was fixed, including swaps.

Net debt (long-term debt, plus current maturities of long-term debt, less cash and cash equivalents) has been reduced by \$1.6 billion since December 31, 2016.

Days revenue outstanding for same-store hospitals, adjusted for the impact of receivables for state Medicaid supplemental payment programs, was 58 days at both June 30, 2019 and June 30, 2018.