



2020 & 2021

THIS
community

COMMUNITY IMPACT REPORT

 **CHS** Community
Health Systems

From the Desk of Tim L. Hingtgen

As healthcare providers, we are deeply aware of our daily opportunity to make a positive impact on our patients, our communities, and the world in which we live and operate. We recognize the extraordinary trust of our patients, and we willingly accept the responsibility of doing our part to help ensure a healthy, sustainable future for all.

Our Community Impact Report addresses many of the ways we are advancing solutions to protect our environment, address social issues, and ensure effective governance. And, because we are reporting about our impact during a global pandemic, we have included information about our company's response to COVID-19 and the remarkable doctors, nurses, caregivers, administrators, and support teams who have made it all possible.

The unrelenting gravity of the virus has weighed heavily on all of us. Responding to that constant pressure, we have found amazing strength and resilience across our organization.

I have tremendous gratitude, admiration actually, and respect for the women and men who work in our hospitals, physician practices and other sites of care. America's healthcare workers truly are the heroes of these long and challenging past two years. Along with other essential workers in other essential industries, our caregivers have performed their jobs courageously, faithfully, while staring down unknown risk and uncertainty.

Now, we press forward. We keep going because we can, because we want to, and because so many people rely on us. We are a hopeful, optimistic community of people. After all, to accept responsibility for the healthcare of millions of people is to believe you can – and you must – make a positive difference in the lives of others. This is what motivates us day in and day out, individually, and as a community of healers.

Sincerely,



Tim L. Hingtgen
Chief Executive Officer



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FULFILLING OUR
purpose

COMMUNITY HEALTH SYSTEMS

We help people get well and live healthier

*by providing safe,
quality healthcare,
building enduring
relationships with our
patients, and providing
value for the people
and communities
we serve.*

This Community is 67,000 people united to help others get well and live healthier. It is why we exist.

Front line caregivers at the bedside.
Primary care providers preventing disease.
Surgeons saving lives in our operating rooms.
Environmental services keeping our hospitals clean.
Supply chain managers reliably stocking shelves.
Lab workers. Therapists. Case managers. Admitting clerks.
Pharmacy techs preparing monoclonal antibodies.
CEOs, CFOS, CNOs - organizing, strategizing, leading.
Human resource teams supporting every employee.
Telephone operators answering important calls.
Dieticians delivering nutrition and sustenance.
The people who greet you at our doors.

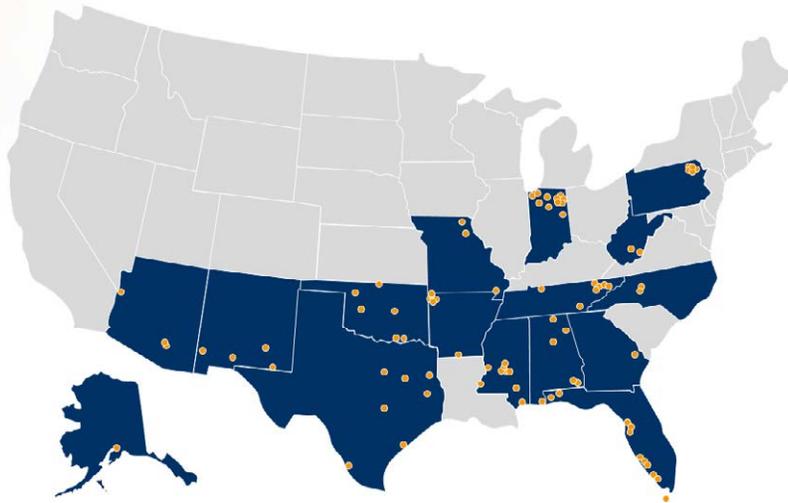


All of us are here to help people get well and live healthier – one patient, one member of ***Our Community***, at a time.

Company Profile

*Providing quality care.
Making a positive difference.*

Community Health Systems is one of the nation's leading acute care hospital systems. As of September 30, 2021, CHS subsidiaries include 84 hospitals in 16 states with approximately 13,000 licensed beds. Healthcare services are also provided in more than 1,000 outpatient sites of care including affiliated physician practices, urgent care centers, freestanding emergency departments, occupational medicine clinics, imaging centers, cancer centers, and ambulatory surgery centers.



Pictured from top to bottom: Grandview Medical Center, Birmingham, Alabama, Physicians Regional Healthcare System, Naples, Florida, and MountainView Regional Medical Center, Las Cruces, New Mexico.



More than **1,000 sites of care** including

84 Hospitals

600+ Practice Locations

80+ Urgent Care, Walk-in and Retail Clinic Locations

15 Freestanding Emergency Departments

41 Ambulatory Surgery Centers

Data as of September 30, 2021

More than **15 million patient encounters**

470,000 Annual Admissions

2,000,000 Emergency Room Visits

13,500,000 Outpatient Visits

Results for Year Ending December 31, 2020



RESPONDING TO
COVID-19

COMMUNITY HEALTH SYSTEMS

COVID-19 Changed the World

It certainly changed our world at CHS, affecting nearly every aspect of our operations.



In the earliest stages of the pandemic, CHS established a COVID-19 Crisis Command Center and Response Team to ensure support for our people, coordination of our resources, and leadership in the most extraordinary of circumstances.

We have followed CDC guidelines and the evolving mandates of 16 state governments, a massive undertaking that has required agile decision making and critical innovation. The scale of our organization proved beneficial as we rallied around communities facing the first waves of COVID-19, and it remains a strength as the pandemic drags on.

We quickly adopted a dual-track operating model that supported high levels of care for COVID-positive patients while also ensuring the delivery of other critical health services. This required unprecedented change. From reconfiguring hospital spaces to implementing supplemental staffing to testing patients for COVID-19 prior to elective procedures, safety and continuity of services were top priorities. As a result, CHS-affiliated hospitals were often among the first in their communities to restore suspended services.

Our hospitals have adeptly managed the ebb and flow of COVID-19 for nearly two years now. Physicians and nurses have provided quality, compassionate care for thousands of COVID-19 patients. In the pages that follow, we share some of our stories and information about the extraordinary response of our teams across the organization.

COVID-19 By the Numbers

2,000,000+ patients tested for COVID-19

55,000+ COVID-19 patients treated in our hospitals

Data for CY 2020 and YTD September 30, 2021



Protecting the Caregivers

Nothing has mattered more than keeping employees safe throughout the pandemic.

Hospital employees literally put the care of their patients first, often before knowing the potential risk to their own health or that of their families. Among our first priorities was to ensure adequate Personal Protective Equipment (PPE) for front line caregivers and others working in our hospitals and physician practices. During the pandemic, we have significantly increased purchasing levels for PPE, including masks, gowns, gloves, eye protection, and face shields.

500 Million items of PPE purchased

Data for CY 2020 and YTD September 30, 2021

276% increase in spending for PPE

Data represents increase in CY 2020 vs CY 2019



Supply Chain Solutions

When needed, CHS is able to move supplies and equipment between facilities.



One of the benefits of being a large healthcare system is the ability to transfer resources across the organization. For example, early in the pandemic when PPE was in short supply, CHS hospitals were able to move N95 masks, face shields, and other necessary supplies from hospitals where the virus hadn't yet taken hold to those experiencing an early surge.

This spirit of sharing and collaborative problem solving has continued throughout the pandemic. In August 2021, when our hospital in Hattiesburg, Mississippi, was in need of ventilators, another CHS hospital in Pennsylvania immediately shipped some of their unused, life-saving machines.

Providing Emotional Support

The pandemic underscored why we must focus on the overall well-being of our healthcare workers.

The COVID-19 pandemic has been an exhausting, life-altering experience for everyone. Healthcare workers certainly have endured inevitable physical, mental, and emotional strain.

To keep everyone safe, in some cases, family members were unable to be with hospitalized patients. Nurses and other caregivers became the only link between these patients and their loved ones. Many COVID-19 patients were fortunate enough to leave our hospitals to standing ovations and victory cheers as they returned to the arms of their loved ones. But at times, it was a nurse who waited alone at the bedside, holding a patient's hand, as life slipped away.

For staff struggling with the emotional impact of caring for patients with COVID-19, we offered a round-the-clock mental health hotline to provide compassionate counseling and support. Many of our hospitals created serenity rooms, offered massages during work breaks, provided meals to go and laundry services, and some even brought in comfort dogs to help reduce anxiety and fatigue.

Caring for the caregivers continues to be a top priority for every CHS hospital.



A Safe Place for Healthcare

Trust has never been more important. COVID-19 intensified our longstanding commitment to safety.



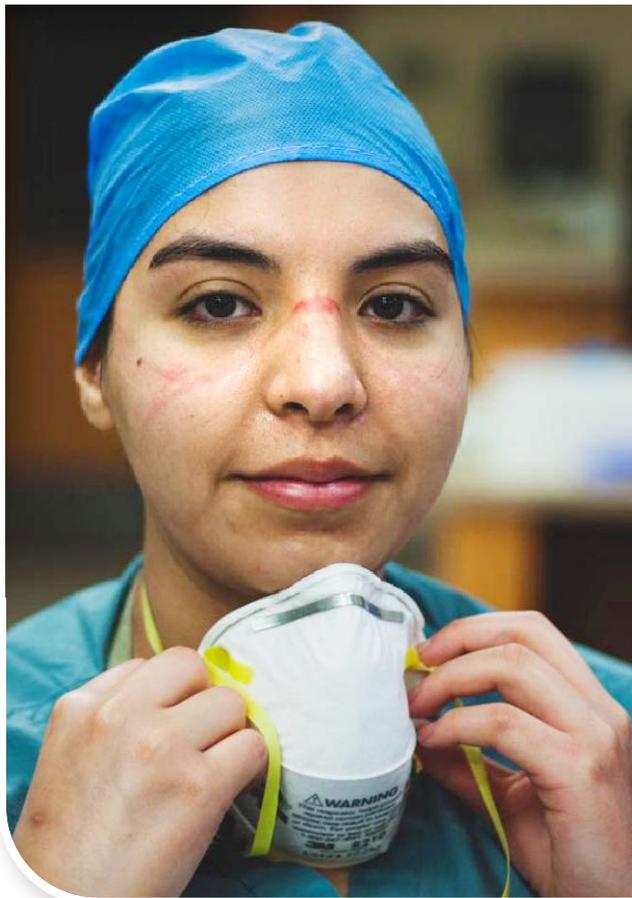
In the earliest stages of the pandemic, many people were afraid to enter healthcare facilities. Across the CHS organization, we mobilized our teams and enhanced safety protocols to help protect everyone and to reassure patients that it is safe to receive care at our hospitals and clinics.

SAFETY PROTOCOLS

- ✓ Implemented universal masking for staff and visitors in patient care and common areas
- ✓ Established screening processes to check for symptoms of COVID-19 before allowing entry into our facilities
- ✓ Designated separate care areas for COVID-19 patients, when necessary
- ✓ Intensified already rigorous infection prevention practices including increased frequency for deep cleaning of spaces and surfaces
- ✓ Redesigned waiting areas and other spaces to enable social distancing
- ✓ Restricted visitation during COVID-19 surges

On the Frontlines

*Laredo Medical Center
Laredo, Texas*



Heroic Work in Laredo, Texas

As the pandemic spread across the nation, few areas were hit as hard as the border city of Laredo, Texas. Despite earning the unwanted designation as one of the country's worst coronavirus hotspots for multiple weeks running (according to New York Times data), the men and women of Laredo Medical Center never lost sight of their purpose – to provide safe, quality healthcare for those with COVID-19, many of whom were very sick and dying.

These dedicated healthcare professionals worked tirelessly to care for those in their tight-knit community – often providing care for family members, friends, neighbors, and each other. They courageously fought to save lives. When they couldn't, they provided comfort to patients in their final days. They demonstrated compassion to family members who couldn't visit their loved ones. They celebrated hard-fought recoveries. They exhibited extraordinary resilience day after day, week after week, month after month.

From the onset of the pandemic through September 2021, the Laredo Medical Center team has provided care for more than **2,500 hospitalized COVID-19 patients**.

And in a remarkable show of support for each other and their community, Laredo's employees led the company in early vaccinations, with **92 percent of their employees voluntarily vaccinated**.

On the Frontlines

*Northwest Healthcare
Tucson, Arizona*



Saving Lives in Tucson, Arizona

When Dr. Zain Khalpey joined Northwest Healthcare in Tucson, Arizona in 2019, hospital administrators were looking to expand their cardiac surgery capabilities. Dr. Khalpey had established a reputation for using artificial intelligence, regenerative medicine, and precision medicine to help heart patients. He trained his team on advanced cardiac procedures and also how to perform extracorporeal membrane oxygenation (ECMO) treatments, which have been a lifesaving procedure for some of the hospital's critically ill COVID-19 patients.

In an unexpected twist, Dr. Khalpey and his team performed the hospital's first ever ECMO procedure on one of their own, registered nurse Michael Mariano. When Mariano contracted the virus, no one imagined this otherwise healthy nurse would spend two months in his own hospital, fighting for his life.

"It was horrible," his wife, Robin Johnston, said. "When I dropped him off at the hospital, I wasn't sure if I would ever see him again."

Michael was placed on a ventilator, and when his condition deteriorated further, Dr. Khalpey put him on ECMO, an artificial lung that oxygenates the body. Robin believes that treatment may have saved Michael's life. He was discharged to a standing ovation from co-workers after more than two months of ventilator treatment, ECMO, surgery, and rehab to learn to eat, drink, and walk again.

"Michael's experience was inspiring," said Dr. Khalpey. "Inspiring for our nurses, and inspiring for our team to see how we could help someone beat the odds and rise again."

CHS CARES Fund

In times of crisis, the CHS CARES Fund offers critical resources, relief, and hope.

Established in 2017, the CHS CARES Fund is administered by a Section 501(c)(3) organization and provides financial assistance to employees who have experienced hardships due to events beyond their control, such as natural disasters, extended illnesses, and other types of crises. Grants from the fund help pay for essential living expenses including housing, utilities, food, clothing, and other basic necessities. Numerous grants have been issued to employees financially affected by the COVID-19 pandemic.

In 2020, thanks to the generosity of our board of directors, executive team, hospital and corporate leaders, employees, physicians, and our business partners, we raised more funds than ever before, enabling a record level of grants and support for our team.

\$5.6 Million in funds raised

\$5.3 Million in grants provided

3,400+ grants provided to frontline caregivers and support staff

Data for CY 2020 and YTD September 30, 2021



Margarita and Tito Sagral

Laredo Medical Center

In April 2020, nurse Margarita Sagral became one of the first healthcare workers at Laredo Medical Center to contract COVID-19. Fortunately, none of her family members were infected with the virus, including her husband, Tito, a sterile processing technician who also works at the hospital.

Margarita's condition was as severe as any COVID-19 patient the hospital had treated, and doctors gave her a very slim chance of survival. After spending 81 days in the ICU, Margarita was transferred to a rehabilitation center where she continued to recover. Nearly six months after being admitted to the hospital, Margarita finally went home.

In addition to taking an emotional toll on her family, Margarita's illness created financial concerns. With Margarita unable to work, and Tito required to quarantine for two weeks after she contracted the virus and another two weeks after a brief visit with her - part of the city's "imminent death protocol" - he too, was unable to work for more than a month.

An HR manager suggested Margarita and Tito could both qualify for a grant from the CHS Cares Fund. An application and a few days later, their grants were approved.

"It was a huge relief to not have to worry about getting the bills paid," says Tito. "We are so grateful for the care she got and the support we received from the CHS Cares Fund."

Hope for the Future

Vaccines gave us our best shot at beating COVID-19.

Across CHS-affiliated hospitals, many employees rejoiced at news that vaccines were arriving. They lined up as fast as they could. Others needed more time and a lot more information about the vaccines and their potential side effects. Across the organization, we worked to educate employees with the facts, the science, and the benefits of vaccination. As we did, more employees rolled up their sleeves. By the middle of 2021, CHS made the decision to require regular testing for employees who remain unvaccinated. As of September 2021, vaccinations are still voluntary and the majority of employees across our organization are fully vaccinated.



On the Frontlines

*Commonwealth Health
Emergency Medical Services
Scranton/Wilkes-Barre, Pennsylvania*

30,000+ Residents

*have been vaccinated by
the CHEMS team since
the clinic opened. CHEMS
also provides vaccinations
for homebound patients
across two counties.*

Vaccinating First Responders in Pennsylvania

The Commonwealth Health EMS (CHEMS) team has proven time and again how vital this hospital-based ambulance service is to its Pennsylvania community. In addition to providing ongoing emergency medical support and transport, CHEMS launched a vaccine distribution clinic out of Wilkes-Barre General Hospital in December 2020 to vaccinate essential frontline healthcare workers, firefighters, EMS, and law enforcement officers before opening their clinic to the public at large.



Community Relationships

COVID-19 proved we are in this together and that we really do need each other.



*Ashley Dickinson, Chief Executive Officer,
Northwest Health, Northwest, Indiana*

Understanding the importance of educating people about COVID-19 to help contain the spread, CHS-affiliated hospitals across the country partnered with organizations in their communities to provide screenings, testing, education, and vaccines.

- Hospital leaders partnered with public health officials to keep their local communities informed about current COVID transmission rates, testing sites, and the importance of vaccination via press conferences and social media.
- Healthcare workers from our hospitals and physician practices participated in drive-through COVID-19 testing stations in the early stages of the pandemic.
- Later, employees from our hospitals set up or staffed local vaccination clinics, helping to vaccinate as many local residents as possible.

Monoclonal Antibody Clinic

Flowers Hospital in Dothan, Alabama, began administering monoclonal antibody infusions in early December of 2020. While most of the infusions were performed within the hospital's outpatient setting, there was a backlog of patients needing appointments for the infusion within their respective windows of opportunity. In order to accommodate the need, the hospital worked with a nearby surgery center to offer this lifesaving therapeutic to an average of 30 patients a day. Studies have shown that the monoclonal antibody therapy has reduced hospitalizations by 70 percent, making it an important tool in treating COVID-19.

Thanking Our Healthcare Heroes

*It seemed there was never enough
we could do to say – thank you.
We are forever grateful.*

The COVID-19 pandemic has made it crystal clear just how much communities rely on their local hospitals and how much we rely on our communities. Our healthcare workers have felt an outpouring of support and gratitude. We are grateful to everyone who has delivered a meal, sewn a face mask, sent a card, made a chalk drawing – or simply reached out to one of our caregivers to say “thank you.”



Life Goes On

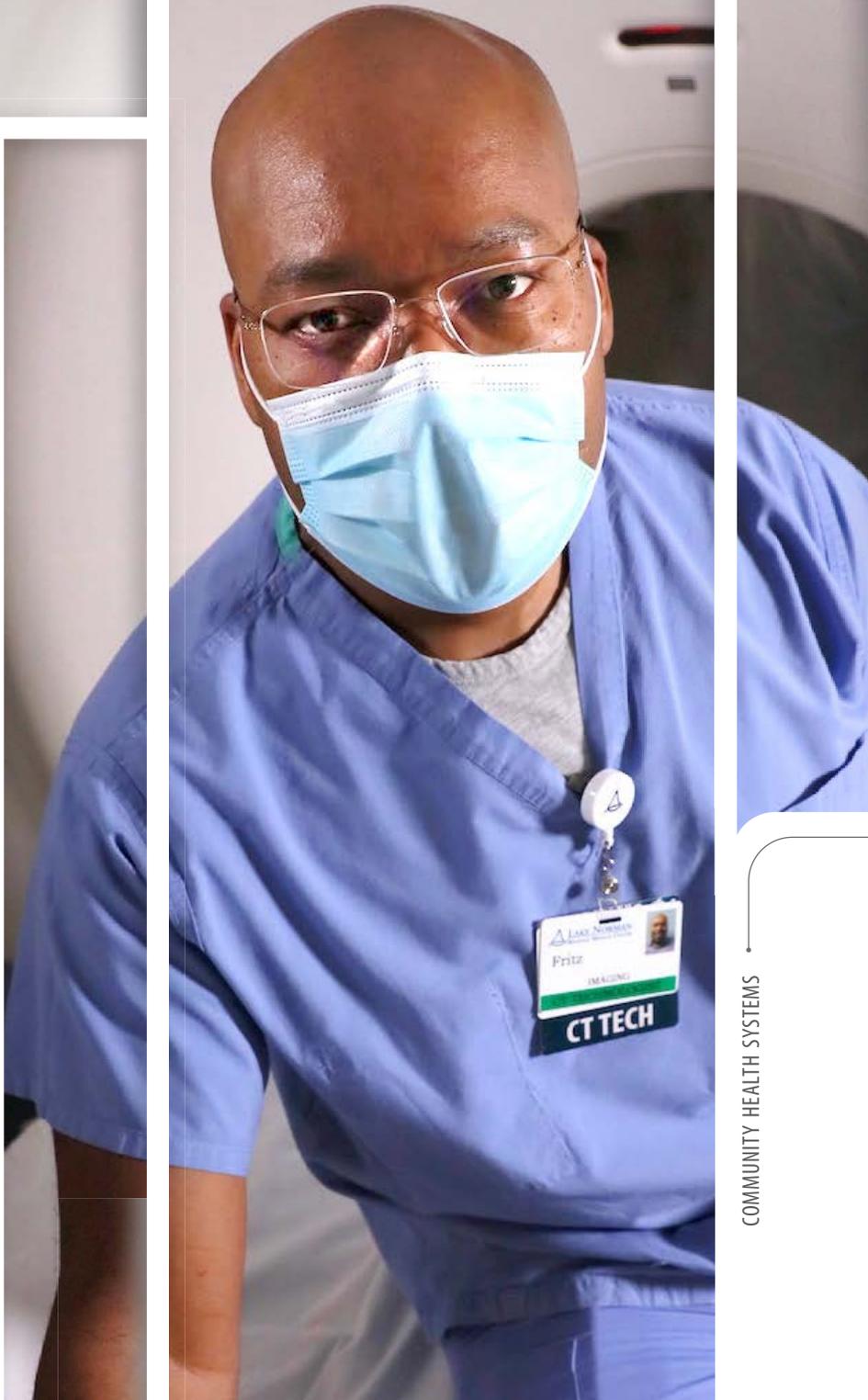
While fighting COVID-19, our healthcare workers continued to provide other critical services.



A well-baby nurse for 41 years, registered nurse Twila Bierman has helped thousands of newborns into the world. So, when her own grandson was born, she wanted to be close to her family. Twila and her husband relocated to Birmingham where she was drawn to a hospital that also had the word “grand” in its name. In her new job at Grandview Medical Center, she quickly became a mentor and preceptor to young nurses and nursing students.

To accommodate patients anxious about being in a hospital where COVID-19 patients were being treated, Twila and her colleagues prepared new moms and their babies for discharge as soon as feasibly possible after birth. Some of their actions could have a safe and lasting impact on the future length of OB hospitalizations, including for women who deliver by C-section. Throughout the pandemic and as long as they met all discharge criteria, new moms who delivered by C-section were discharged within 24 hours of delivery instead of the typical 48 to 72 hour stay.

“We have had to adapt during the pandemic,” says Twila. “But that’s a small price to pay to be a part of something as wonderful as bringing a new baby into this world during an otherwise difficult time. It was a way to say – life goes on – and to be part of a more hopeful future.”



SUPPORTING OUR
people

COMMUNITY HEALTH SYSTEMS

Our People Make the Difference

Our ability to deliver quality patient care is made possible by an outstanding affiliated workforce.

67,000
employees

8 Years
average tenure

35% of Nurses
have 10+ years of service

Each employee is a vital contributor to our success, so we devote significant resources to recruit, retain, and develop the women and men who choose to work across our organization. CHS is committed to providing resources to help each of our affiliates be a great place to work, a safe place to work, and a place where their employees have opportunities for professional growth and advancement.



Our People Make the Difference





COMPREHENSIVE COMPENSATION

CHS affiliates offer competitive, comprehensive compensation and benefit packages that include medical, dental, vision and drug benefits, life insurance, disability and critical illness insurance, and a 401K retirement plan.

EMPLOYEE SATISFACTION

Annual employee surveys at our affiliated hospitals and practices gauge workforce satisfaction. Feedback is used to develop action plans that continuously improve the work environment.

70% of employees participated in the 2020 survey, a 2% increase from 2019 despite the burden imposed by the COVID-19 pandemic

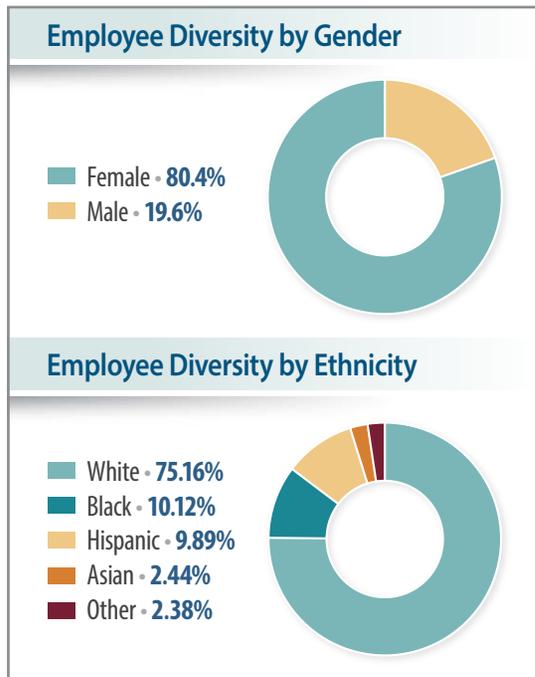
93% of employees said they are proud to work for their CHS-affiliated hospital or healthcare system

Diversity, Equity and Inclusion

CHS works to cultivate and preserve a culture that embraces our differences.

We believe the collective sum of our individual differences, life experiences, knowledge, innovation, self-expression, and unique talents makes us stronger. We also acknowledge that across the healthcare industry and in each of our communities, more must be done to help achieve equitable access to health services.

As evidence of this commitment and to accelerate important work, CHS hired a vice president and a senior director of Diversity, Equity and Inclusion (DEI) and established a Diversity Leadership Committee in 2021. Our DEI plan objectives are to strengthen cultural competence, build a diverse talent pipeline, retain and develop high potential employees, improve patient experience and outcomes, and increase supplier diversity. We intend to leverage data to inform and measure the effectiveness of our DEI work over time.





“Working for an organization so committed to diversity, equity and inclusion means that we touch thousands of lives every day – from patients, to communities, to colleagues – in a way that lets them know they are welcome and that they will be treated with respect and appreciated for their differences.”

Karisse Spray
Vice President
Diversity, Equity and Inclusion



“As a company that serves diverse markets across the nation, CHS has always been committed to diversity, equity and inclusion. Recent events in our country have renewed important conversations about how we can further advance these principles to become even more inclusive. The CHS Board of Directors wholeheartedly supports the company’s efforts to prioritize DEI initiatives and to be a source of positive change in our society.”

Julia B. North
Lead Director
CHS Board of Directors



“We cannot let culture or language contribute to the disparities that already exist in healthcare. If I can remove these barriers and meet my patients where they are, I can encourage and educate them about becoming active participants in their health and well-being, which ultimately should help each individual patient and also help resolve the disparities.”

Richard Piñon, M.D.
Family Medicine Physician &
Member of the Board of Trustees
Eastern New Mexico Medical Center

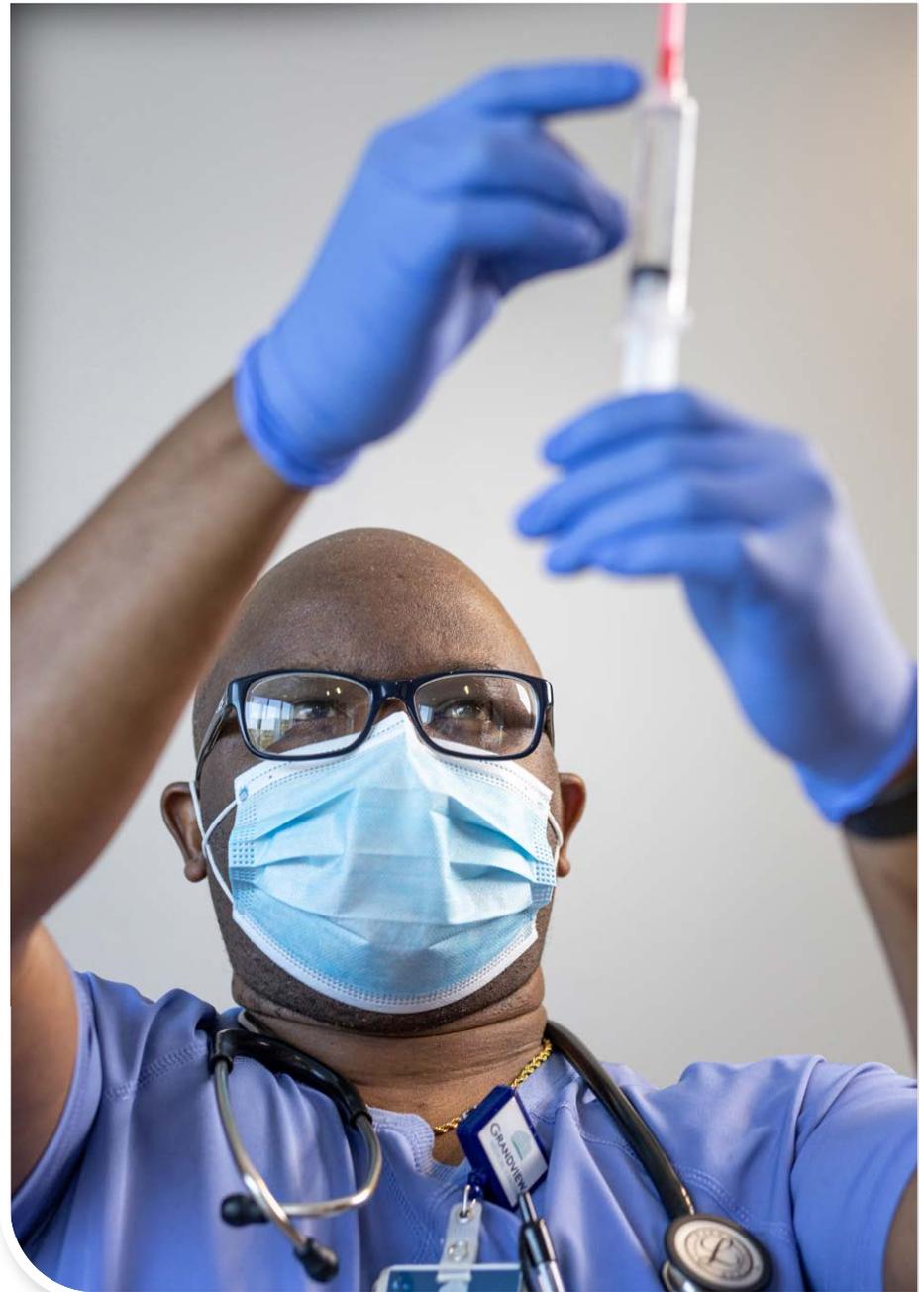
Year of the Nurse

There has never been a better time to recognize our nurses.

In 2019, when the World Health Organization (WHO) declared 2020 the International Year of the Nurse in honor of Florence Nightingale's 200th birthday we weren't anticipating a global pandemic or the vital role nurses would play in caring for COVID-19 patients. Their work has been so important, in fact, that the Year of the Nurse has been extended through 2021.

That, combined with an impressive 19 year streak as the most ethical and honest profession in America according to a 2020 Gallup poll on the most ethical professions, is further testament to how much we need and respect our nurses. Nurses inspire and innovate. They show compassion and empathy. They are reliable and hardworking. They make a difference in our lives.

Despite the unprecedented demands of the pandemic, CHS hospitals took time to recognize our frontline heroes for their efforts to ensure quality healthcare each and every day.

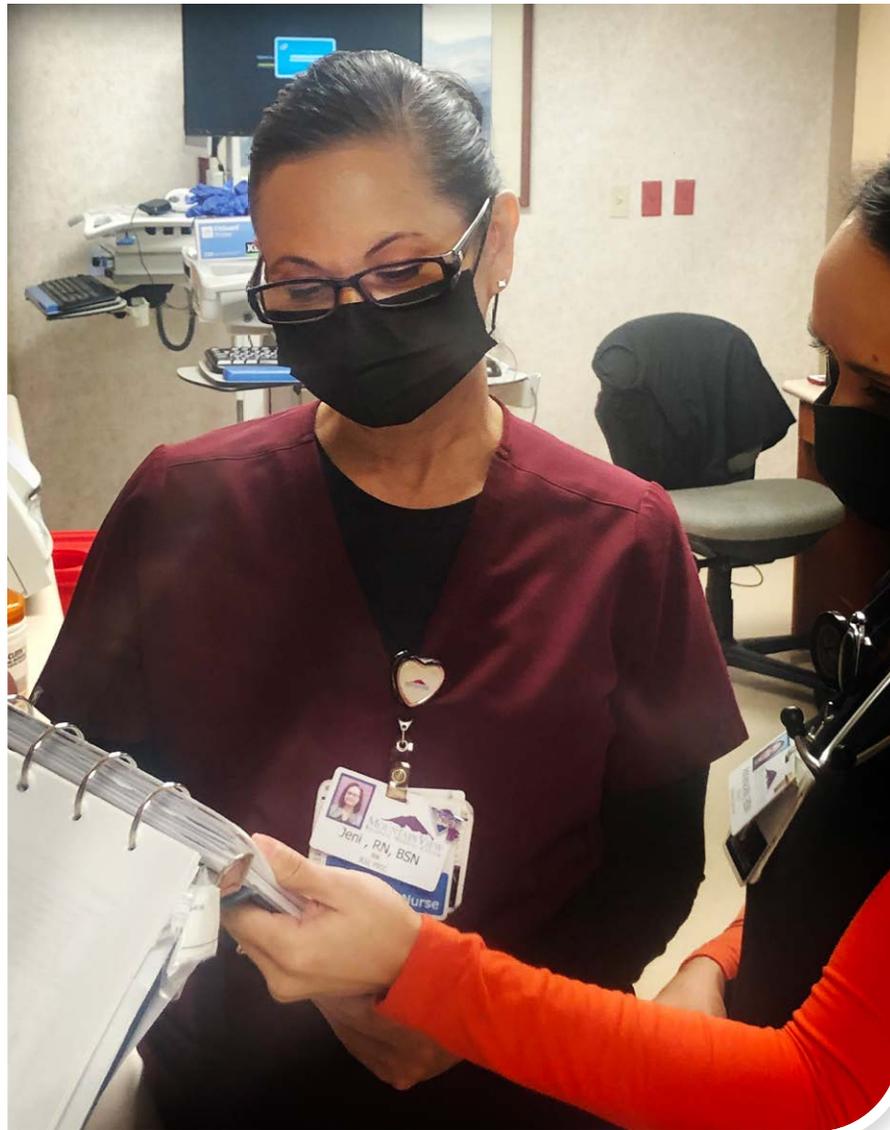


CHS Nursing Excellence Awards

The CHS Nursing Excellence Awards were created in honor of 2020 being the Year of the Nurse and because we wanted to recognize the extraordinary work of our nurses during the pandemic. This peer-nominated award was open to qualifying RNs and LPNs working in direct patient care positions who consistently demonstrate characteristics synonymous with nursing excellence – professionalism, compassion, service, and innovation.

Nominees were often described as team players or mentors to others, leaders in a time of crisis, and champions of efforts to promote health in their communities. Nursing Excellence Awards were presented to 89 nurses across our hospitals, and from that group, ten national Nursing Excellence Award recipients were selected. The Nursing Excellence Awards were such a popular and appreciated program, we've decided to extend the program, with our hospitals selecting new honorees in 2021.





CHS National Nursing Excellence Award

Jeni Jimenez, RN

MountainView Regional Medical Center
Las Cruces, New Mexico

Among the 2020 CHS National Nursing Excellence Award recipients is Jeni Jimenez, an ICU nurse at MountainView Regional Medical Center in Las Cruces, New Mexico. A consistent advocate for providing the best care possible, Jeni has been a leader in caring for COVID patients at her hospital. She became exceptionally close to one of her COVID patients in the summer of 2020 and cared for him every day she worked. Despite the 30 days he spent fighting to survive, Jeni's patient lost his battle with COVID. Jeni stood by his side to provide comfort as he took his final breath – an extraordinary act of humanity toward her patient and a tremendous act of comfort for his family.

Professional Development

We encourage employees to enhance their skills and advance their careers.

Value of the Advanced Learning Center

117,000

full- and part-time employees and contractors used the ALC

3.7 Million

ALC courses were completed

31.88

courses completed on average per user

11.76

hours of training on average per user

\$57.89

cost on average per user

\$6.8 Million

investment to fund the ALC

Data for 2020

Development and Growth Programs

- **The Advanced Learning Center** offers more than 2,200 free online education programs, serving employees in almost every line of work.
- **Tuition Reimbursement** programs enable employees to pursue additional education and training at institutions of higher learning.
- **Nursing School Partnerships** offer educational pathways to professional nursing careers for those desiring to become LPNS and RNs.
- **Executive Development** tracks are available to individuals who aspire to leadership level positions in operations, finance and clinical functions. Through these programs, CHS is able to identify and develop qualified candidates and promote from within to hospital CEO, CFO, COO, and CNO positions.
- **Community LEADS**, our Leadership Excellence and Development Series, is a proprietary program for more than 2,500 hospital directors, managers and supervisors. Content for the series was derived from feedback received from hospital CEOs and employee engagement surveys, and includes topics such as effective communication, coaching others, managing conflict, and building team resilience.



Developing Executive Leaders from Within

Creating career paths to executive leadership makes us stronger now and in the future.



Beth Hillner

*Chief Operating Officer
Tennova Healthcare - Cleveland*

While things are changing, the number of women leading healthcare systems in the U.S. is still surprisingly low. Through our Executive Development Program, CHS offers women like Beth Hillner a career path to the C-suite.

After working at the CHS corporate office as a summer intern while in high school and throughout college, Beth knew she wanted a career in healthcare administration. While in graduate school, Beth was recruited to our executive development program designed to create, grow and retain the company's next generation of hospital CEOs, CFOs, COOs, and CNOs. Program participants learn how to operate a hospital through immersive, practical experience, coaching from a mentor, and management projects that encourage progressive advancement.

Beth was first assigned to Flowers Hospital in Dothan, Alabama, where she spent two years as an Administrative Specialist. She was then assigned to Tennova Healthcare in Clarksville, Tennessee, where she served as Assistant Administrator before being promoted to Assistant CEO. In early 2021, she was promoted to Chief Operating Officer at Tennova Healthcare - Cleveland.

Beth is well on her way to achieving her career goals. When asked about what the CEO Development Program means to her, Beth is quick to talk about the opportunities she has been provided as a young woman in a typically male-dominated profession, the relationships and knowledge she has been able to build, and how appreciative she is for the investment CHS has made in her career.

Developing Executive Leaders from Within

54% of executive leadership positions at CHS-affiliated hospitals were filled via internal promotions in 2020



Chad Campbell | *Regional President*

Chad Campbell was looking for a way to combine his early career experiences in the hotel industry and as a physician recruiter when he decided to become a hospital administrator. Already several years into his career, Chad enrolled in graduate school and was accepted into the CHS CEO Development Program.

Chad was hired as an Administrative Specialist at a CHS hospital in Ponca City, Oklahoma. He went on to become Assistant CEO at a hospital in Spokane, Washington, and then, CEO of hospitals in Carlsbad, New Mexico, and Springfield, Oregon.

With broad experience across diverse CHS markets, Chad was approached about joining the corporate leadership team where he served as a Vice President of Operations before becoming Regional President with responsibility for 22 CHS-affiliated hospitals in Mississippi, Oklahoma, and Texas.

Progressing from an Administrative Specialist to a Regional President was no easy task. It required commitment and sacrifice from both Chad and his family, who moved five times in 11 years. But, Chad and his family wouldn't have had it any other way.

"The program was – and still is – structured to teach participants everything about how to run a hospital early in their careers," Chad says. "Now, anytime I need to fill an executive role in one of my hospitals, I look first at team members who have come up through the CEO Development Program because I know how well they were trained and how committed these women and men are to their hospitals."

Supporting a Future Generation of Physicians

CHS is helping to develop the next generation of doctors.

Graduate Medical Education

Residency training programs provide supervised clinical experience for physicians who have received their medical degrees, ultimately enabling them to practice independently upon graduation. CHS-affiliated hospitals offer residency programs for primary care and specialty medical services. Residents work with experienced physicians, and in many of our markets, these residents go on to practice in the local community, often increasing physician supply in markets where recruitment can be challenging. Expansion of our residency programs and other medical education is a key initiative for the company over the next five years.

27 medical residents are pictured with attending physicians and administrative staff after completing their GME program at Merit Health Wesley in Hattiesburg, Mississippi, in 2021.



Nursing School Partnerships

CHS is establishing on-site, hospital-based schools of nursing across the country.

CHS also has partnerships with Capella University and Chamberlin University, which offer discounts and deferred tuition for current employees pursuing nursing careers and advanced degrees.

Jersey College School of Nursing Partnership

CHS has established a partnership with Jersey College to create hospital-based schools of nursing to provide advanced education for those who desire to work on the front lines of patient care. The Jersey College Professional Nursing Program is a six semester curriculum culminating in an associate of science degree in nursing, giving graduates the opportunity to become a registered nurse. Programs with CHS-affiliated hospitals have been established in our Fort Wayne, Indiana, and Port Charlotte, Florida, markets. CHS is actively working to create up to 10 more programs across the country.



Jersey College nursing students in Port Charlotte, Florida.

Partnering with Physicians

*Collaborative, trusted partnerships
with physicians is key to quality care.*



We understand the importance of working productively with physicians and supporting the care of their patients. Good outcomes depend on our ability to provide excellent care at the bedside and highly qualified professional support in areas such as emergency medicine, surgery, imaging, pharmacy, lab, and therapies. Our investments in medical technologies enable advanced treatments. And, our hospital CEOs regularly seek physician input about how to improve the delivery of clinical services and the experience of providers and their patients.

16,500+ physicians and advanced practice providers are on the medical staffs of CHS-affiliated hospitals

13,800+ physicians
2,700+ advanced practice providers

Our Physician Practices

In support of community need for healthcare services, we provide practice opportunities for physicians and advanced practice providers who prefer an employment model. Through our affiliates, we offer satisfying career experiences for both primary care providers and medical specialists.

2,000+ physicians and advanced practice providers are employed by CHS affiliates

Accountable Care Organizations

*ACOs provide coordinated,
high-quality care.*

Accountable Care Organizations – or ACOs – are groups of hospitals, physicians, and other healthcare providers who agree to coordinate care for patients and deliver the right care at the right time, while improving patient outcomes and avoiding unnecessary utilization of services. Community Health Systems entered the ACO program in 2018 with a goal of providing high quality care and controlling costs for its Medicare beneficiaries. Over the last three years, our ACOs have provided a significant cost savings to both Medicare and our participating providers.

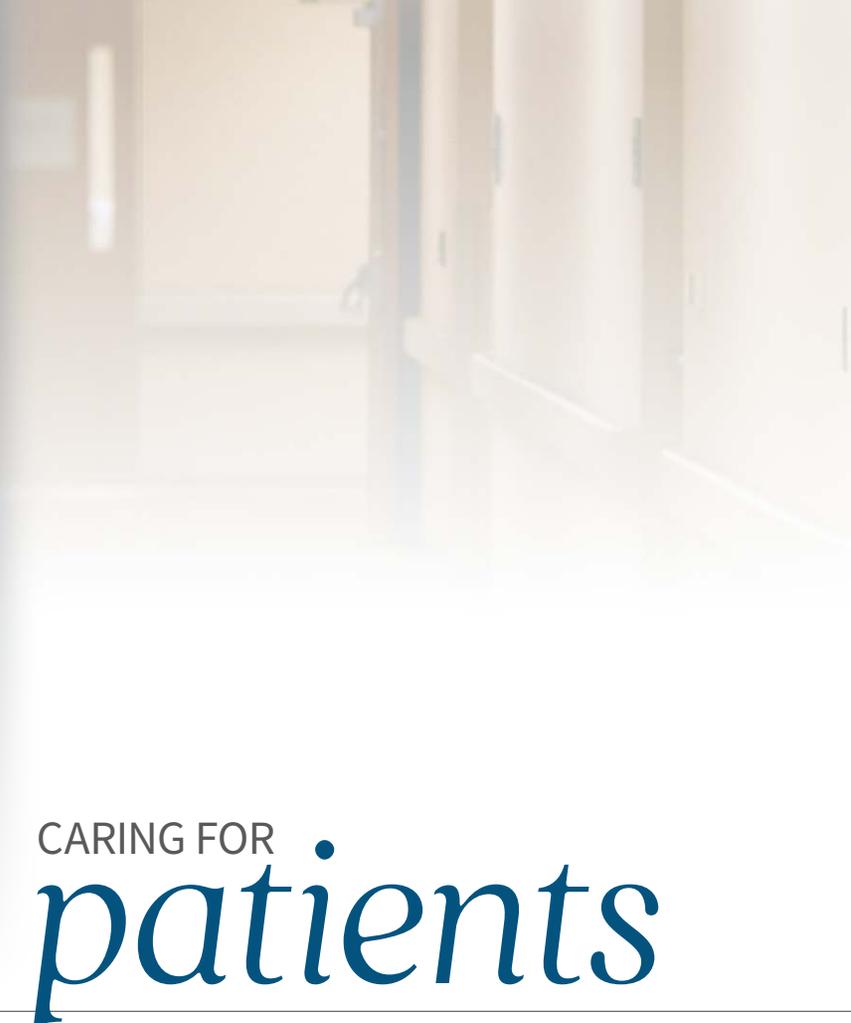
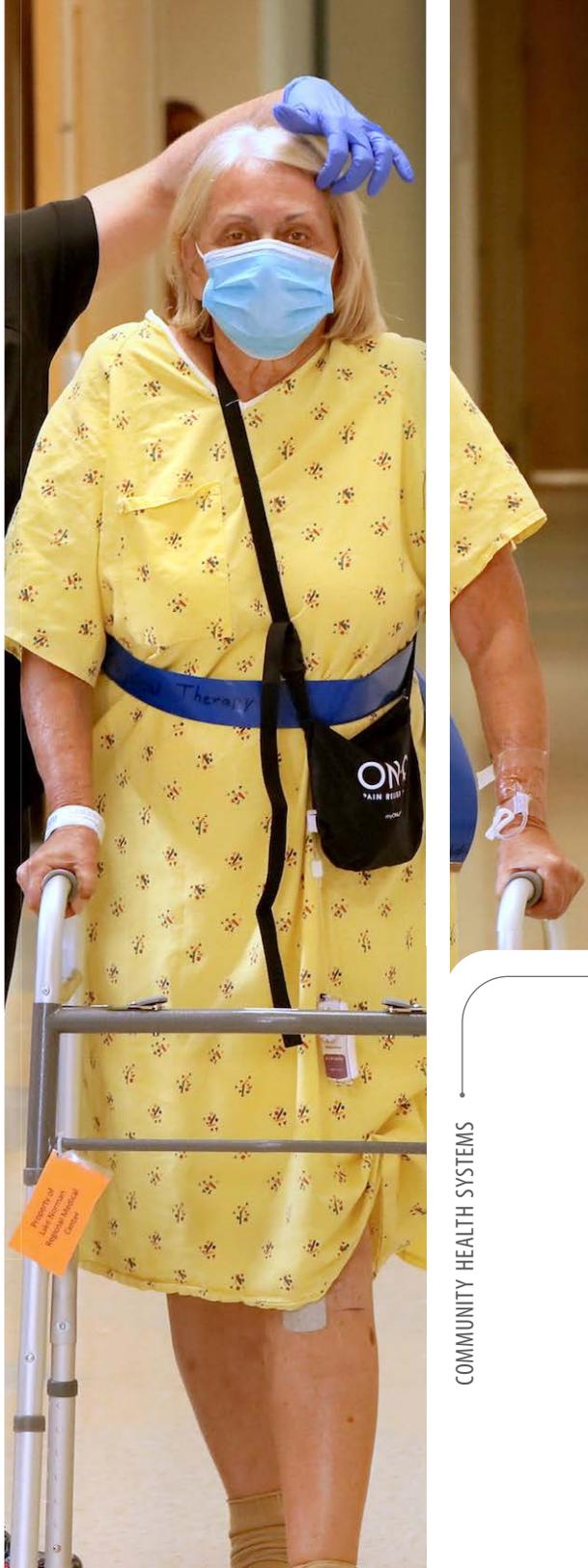
15 ACOs touch every CHS market

4,000 independent and employed participating providers

250,000+ Medicare attributed lives

\$17 Million generated in shared savings to our hospitals and participating providers in 2020





CARING FOR
patients

COMMUNITY HEALTH SYSTEMS

Our Commitment to Patient Safety

*Before helping patients,
before healing people,
healthcare providers must
work to “do no harm.”*



Through our focus on creating highly reliable – safe – healthcare facilities, our Serious Safety Event Rate has declined approximately 80 percent since 2013. This translates to more than 2,000 patients who were spared from serious harm over the past eight years.

We relentlessly pursue our goal of zero events of harm and inherent safety by creating processes that reduce the potential for serious safety events, reinforcing behaviors that promote safety, and conducting a root cause analysis and a future error prevention action plan for each serious safety event.

80% reduction in Serious Safety Events since 2013

High-Quality Patient Care

Thousands of patients rely on CHS-affiliated hospitals to deliver quality outcomes.

To continuously improve outcomes, physicians, nurses and other caregivers in our hospitals use evidence-based medicine and clinical care paths in the treatment of their patients. All of our acute-care hospitals are regularly surveyed by accrediting organizations that review the hospital's ability to deliver safe, quality healthcare services along with other performance standards.



Two of our acute-care hospitals are accredited by the Healthcare Facilities Accreditation Program (HFAP), and all of the others are accredited by the Joint Commission. CHS-affiliated hospitals have obtained numerous other accreditations and awards, underscoring how important quality is to our organization.

Additionally, our hospitals submit performance data related to processes of care, mortality rates, and patient experience to the Centers for Medicare and Medicaid Services.

Creating Greater Access

As healthcare delivery models change, we are creating more access to outpatient services.



Lutheran Health Network outpatient facility groundbreaking, Fort Wayne, Indiana.

Outpatient Services

Increasingly, lower acuity health services once delivered only in hospitals can now be provided safely in an outpatient setting, at a lower cost, and with more convenience for the patient. While CHS continues to invest in our core hospital operations, we also are building a robust network of ambulatory services to create greater access and more convenience for patients. Outpatient services include primary care and specialty physician practices, urgent care centers, freestanding ERs, ambulatory surgery centers, cancer centers, and imaging centers. Hospital-based outpatient surgeries, procedures, and treatments are also available.

51% *of our revenue was derived from outpatient services in 2020.*

Healthcare from the Comfort of Home

Virtual visits exploded during the pandemic. And, we believe telehealth is here to stay.



COVID-19 accelerated the need for telehealth appointments, especially during shelter-in-place periods early in the pandemic. While some of our employed providers already offered telehealth visits, primary care providers and physicians in almost every specialty quickly enabled telehealth to provide their patients with access to services and care continuity. Most patients indicated a high level of satisfaction with telehealth visits, and most of our providers continue to offer this option. We are working on more ways to deliver remote care and expect in-home care to grow significantly over time.

~650,000

(annualized) telehealth visits were delivered by CHS-affiliated providers in 2020

Providing Financial Assistance

We offer services to help patients understand their bills and financial support for those who qualify.



Our hospitals are committed to price transparency initiatives that help patients understand their financial responsibility and payment options. Patients have two options to obtain an estimate for services – a price estimator tool publicly available on each hospital’s website or a personalized estimate from patient access staff. Standard charge listings on each hospital’s website include negotiated rates with health insurers and discounted cash prices. All of our hospitals offer charity care programs for those who qualify, significant uninsured discounts, and long-term flexible payment plans.

Eligibility Screening Services

Efforts to help qualified patients enroll in available medical coverage, such as Medicaid, can provide access to preventative care and ongoing medical support. Each CHS hospital has a financial assistance team to help eligible patients identify and enroll in federal, state, or local programs that help pay for medical services.

107,000+

patients have obtained new insurance coverage with the assistance of our patient access and financial assistance teams since January 2020

Charity Care

Charity care policies may vary slightly from hospital to hospital due to state regulations, but every CHS-affiliated hospital provides free care for individuals who are at or below 100 percent of the Federal Poverty Level (FPL) and significant charity discounts for uninsured individuals between 101 percent and 400 percent of FPL. Patients must complete a financial assistance application to qualify.

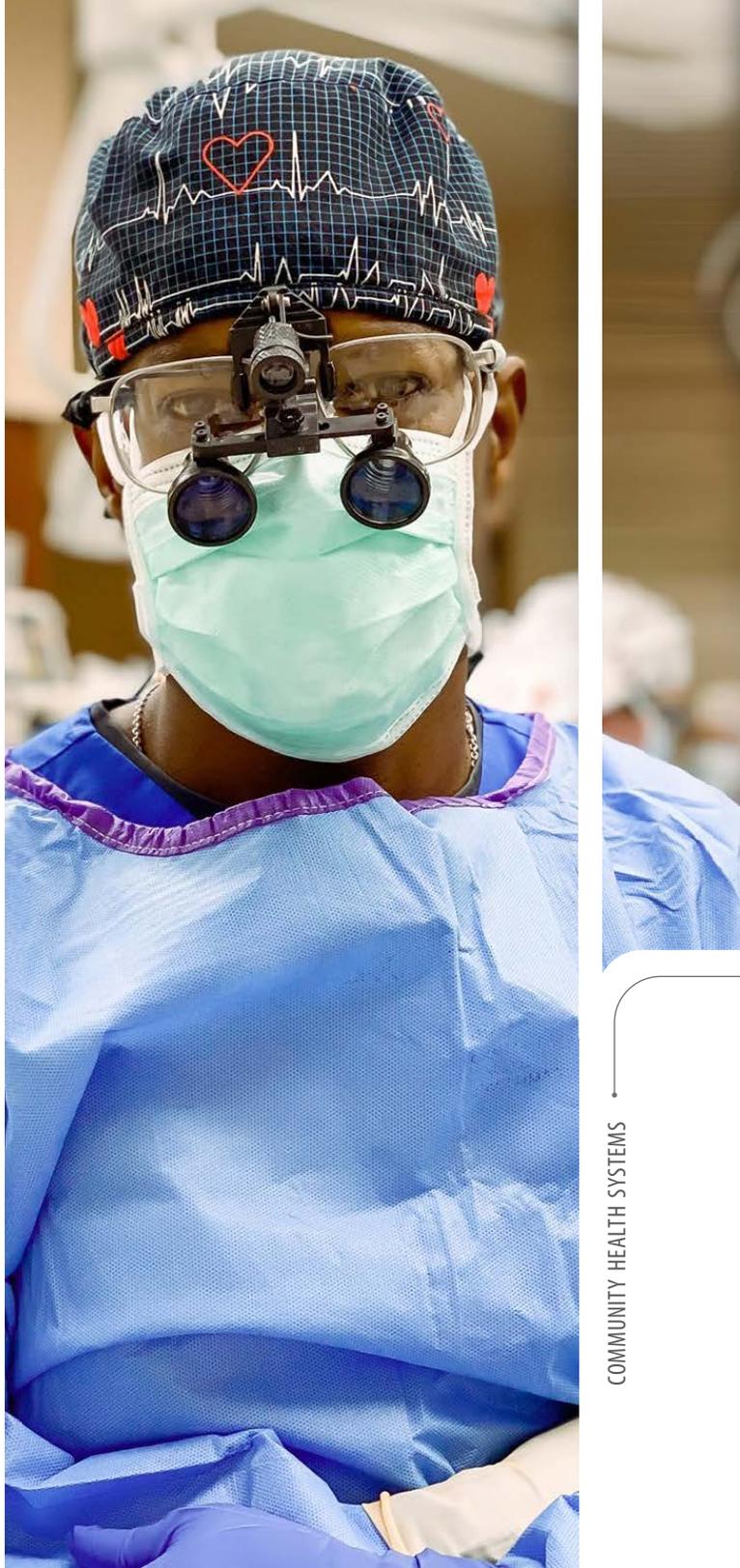
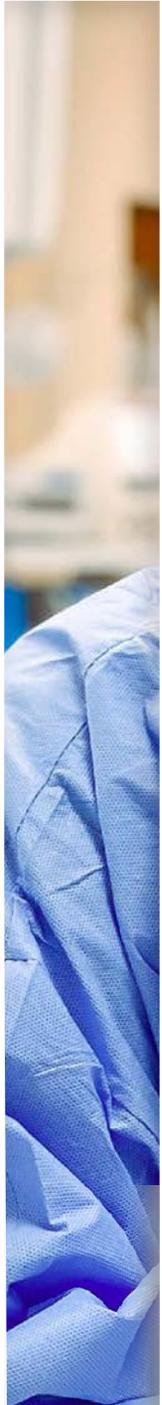
\$1 Billion *in charity care was provided in 2020*

Presumptive Charity Care

In 2020, most CHS-affiliated hospitals in states that have not expanded Medicaid also implemented presumptive charity care scoring, which uses a third-party credit reporting agency to determine an individual's eligibility for charity care even if the individual does not complete a financial assistance application.

54,000+ *patients have received free care through the presumptive charity care scoring program in 2020 and the first half of 2021*





MAKING AN
impact

COMMUNITY HEALTH SYSTEMS

Taking Care of the Places We Call Home

Home is Palmer, Alaska and Key West, Florida and so many other locations in-between.

Every CHS-affiliated hospital supports economic development and provides charitable benefits for their communities. Through the jobs we provide, the taxes we pay, the projects we fund, and the donations we make, we are saying, this community is our home, too.



\$1 Billion provided in charity care to help the most vulnerable

~\$555 Million paid in property, sales, and other taxes paid to support local, state and federal government, schools, and community infrastructure

\$440 Million of capital invested to improve healthcare facilities and economic impact

Data for CY 2020

Generously Giving More

Every year, CHS and its affiliated hospitals donate millions of dollars to charitable causes.

Our donations support organizations that fight disease, help vulnerable individuals and families, feed the hungry, shelter the homeless, give children a head start, advance higher education, and stimulate economic development in low income neighborhoods. Beyond organizational giving, generous employees across our organization give their time, talent, and other resources to improve the quality of life in their communities.

Matthew 25 Health & Care

Lutheran Health Network in Fort Wayne, Indiana, is a longtime supporter of Matthew 25 Health & Care, a safety net health center that provides high-quality medical, dental, vision, and mental health services at no charge to low-income, uninsured adults in Northeast Indiana and Northwest Ohio.

\$2 Million *has been contributed to Matthew 25 since CHS acquired Lutheran Health Network in 2007 to help fund medical services for the most vulnerable in their community.*



Bundles of Hope



As anyone with an infant knows, diapers are an expensive necessity. Unfortunately, this most basic supply is not covered by government programs like SNAP or WIC. Without diapers, a parent's access to childcare is limited since many daycare programs will not care for babies without enough disposable diapers to get through the day. This, in turn, prevents some parents from being able to work, limiting their resources even more.

Five years ago, Grandview Medical Center in Birmingham, Alabama, partnered with Bundles of Hope, an organization that provides an adequate and reliable supply of free diapers to families experiencing financial hardship. Grandview has donated more than 71,800 diapers since the partnership began. Because babies use an average of six to eight diapers a day during the first year of life, Grandview's donations have covered at least 9,000 days of diapers for families in need.

9,000 *days of diapers have been donated for families in need*



3 homes *have been funded by Community Health Systems so far, and the company has pledged to fund the construction of three additional homes in the future.*

The Village at Glenciff

It is hard enough to be homeless. To be homeless while recovering from a serious medical issue is all but impossible. The Village at Glenciff in Nashville, Tennessee, is a new community created to give people experiencing homelessness a dignified, hospitable, medical respite after hospitalization. The one-of-a-kind community of 12 micro-homes opened during the summer of 2021, and already, there are plans to expand. Residents are offered individual housing, access to healthcare, nutritious food, and the support needed to transition into permanent housing. Community Health Systems is a donor and strong supporter of this healing place.

Capital Investments

Capital investments are used to expand and grow the health services offered in our communities.

Each newly constructed hospital or outpatient location, renovated facility, or investment in added space and medical technology improves the care provided for patients. In addition to four new hospitals opening between the end of 2019 and early 2022, we have added 250 incremental beds in existing locations and 50 new surgical or procedural suites over the past few years. Other recent capital investments have funded new medical office buildings, freestanding ERs and urgent care centers, a cancer treatment center, and ambulatory surgery centers.

Our capital investments have a trickledown effect that can positively impact local economies by creating construction jobs and through the purchase of local services and products.



\$440 Million *in capital investments were made in 2020*



PROTECTING OUR
environment

COMMUNITY HEALTH SYSTEMS

Mat-Su Regional Medical Center, Palmer, Alaska

Protecting Our Environment

Reducing Our Carbon Footprint



We recognize that the environment is an exhaustible resource and the importance of using resources responsibly to protect the environment for the good of future generations. We have established goals which focus on the reduction of our carbon footprint, water and energy usage, and material waste. Achieving these goals can often be cost-effective as well as important for environmental sustainability.

CHS is committed to energy efficiency. Our energy usage reduction tracking program was implemented between 2008 and 2012. Since 2012, our overall energy consumption as measured in BTUs per square foot (gas and electricity) has been reduced by 19.1 percent.

For more information about our commitment to Environmental Sustainability, visit our [website](#).

Protecting Our Environment

Building for Sustainability

For new buildings and certain renovation projects, we establish sustainability requirements for architectural design, facility construction, equipment and waste management during construction. Two new Indiana hospitals illustrate this focus – the new Lutheran Downtown Hospital in Fort Wayne and Northwest Health La Porte are expected to maximize efficiency and reduce their environmental impact.

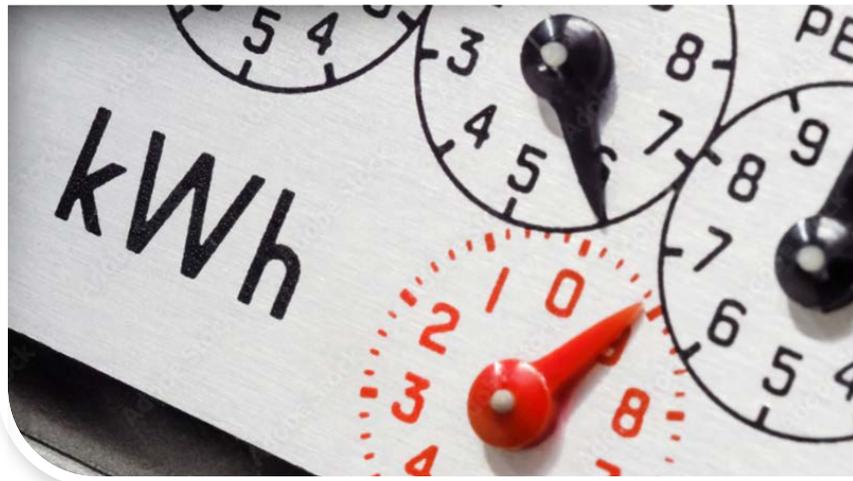


- U.S. EPA WaterSense program – compliant plumbing fixtures
- High efficiency heating and cooling infrastructure minimize water, natural gas, and electricity use
- Boilers for heating with significantly reduced CO₂ and nitrous oxide emissions
- Chillers for cooling utilize modern refrigerants
- High-efficiency LED lighting fixtures and controls
- Building automation systems constantly monitor energy use

For more information about our commitment to Environmental Sustainability, visit our [website](#).

Protecting Our Environment

Continuous Infrastructure Updates



We make regular and proactive investments in the infrastructure of affiliated hospitals to reduce energy consumption. For example, a project to improve energy utilization in the central energy plant at Grandview Medical Center in Birmingham, Alabama, replaced software managing the 4,800-ton chiller plant and other chilled water components to replace standard speed pumping with variable speed pumping. Hospital staff also implemented an aggressive energy optimization strategy to minimize energy use across the entire campus.

Cumulative impact since January 2018

- Reduced energy consumption by 7.6 Million kWh
- Reduced natural gas consumption by 61,384 MCF
- Reduced water consumption by almost 20.2 Million gallons

For more information about our commitment to Environmental Sustainability, visit our [website](#).

Protecting Our Environment

Reducing Water Usage



From 2018 through 2020, this program saved enough energy to power 3,391 homes for one year (32.6 million kWh) and saved the equivalent amount of water used in 123 typical homes for one year (13.5 million gallons).

Our chemical treatment program for infrastructure systems at all affiliated facilities is based on best practices and industry standards for water quality. A sustainable and green chemical treatment program assures that piping systems are cleaned of undissolved solids and algal growth, increasing the efficiency of pumped water systems. Refinements are made continuously by our vendors and the program is updated on an as-needed basis. Quarterly meetings are conducted with chemical vendors to document lessons-learned and apply the findings to future programs.

For more information about our commitment to Environmental Sustainability, visit our [website](#).

Protecting Our Environment

Addressing Climate Change and Weather Related Disasters



Our affiliated hospitals work hard to be prepared for extreme weather conditions. Every affiliated hospital (100%) is compliant with the CMS Emergency Preparedness Requirements for Medicare and Medicaid Participating Providers and Suppliers.

Hospital leadership teams have established emergency readiness plans based on their local risks and conditions, including policies, procedures, and communication protocols. They conduct twice-annual testing and perform regular drills with local emergency management agencies and first responders. Disaster plans are reviewed and updated biennially.

Capital investments are made regularly to update physical plants to withstand extreme weather conditions. For example, the building envelope – windows, doors, and roofing – is reinforced at hospitals in areas most vulnerable to hurricanes or flooding. Generator capacity is added to storm-prone facilities so they can maintain power without the need for mobile generators. Where practical, we have added groundwater wells that can supply potable water in emergency situations.

CHS has an established incident response group that includes experienced clinicians, operational leaders, facility managers, emergency response teams, and communications subject matter experts. Over the years, this group has helped hospitals maintain critical services when their communities have been severely affected by hurricanes, storm surge, severe winter storms, flooding, tornadoes, and wildfires.

For more information about our commitment to Environmental Sustainability, visit our [website](#).



Governance

Risk

Compliance

ENSURING EFFECTIVE

oversight

COMMUNITY HEALTH SYSTEMS

Effective Governance

We recognize that good corporate governance helps earn the confidence of our patients and investors.

The diverse and experienced Board of Directors of Community Health Systems, Inc. actively oversees our company with a commitment to organizational integrity, ethical operations, and transparency. The CHS Board is actively involved in many aspects of our business with particular attention to compliance with financial, accounting and regulatory standards. Our Code of Conduct, adopted by the Board, is applicable to our directors, officers and all CHS-affiliate employees. Variations of this Code of Conduct have been in effect since 1997. The Board also receives regular briefings and periodically undergoes training regarding regulations and other matters that apply to our business.



CHS Board of Directors, pictured left to right: K. Ranga Krishnan, Elizabeth T. Hirsch, John A. Fry, John A. Clerico, Michael Dinkins, Julia B. North, Wayne T. Smith, James S. Ely, III, Tim L. Hingtgen, H. James Williams, Ph.D., William Norris Jennings M.D., Not pictured: Joseph A. Hastings, D.M.D.

The Board of Directors meets at least quarterly, and sometimes more often, to review the company's performance and to receive updates from leaders across the organization. The Board also reviews our enterprise risk management report which is prepared annually based on feedback from hospital and corporate executives, and describes potential threats to the organization. Mitigation and recovery plans are developed to address risks to the organization.

The Board and each of its committees complete an annual self-appraisal, and the Board also reviews an annual evaluation submitted by the CEO.

10 of 12 directors are independent members of the Board

5 directors have joined the Board over the past four years

40% Board diversity based on gender and ethnicity

All Board members serve one year terms and stand for re-election annually

All Board committees – Audit and Compliance, Compensation, and Governance and Nominating – are comprised solely of independent Board members

Additional information about the company's Board of Directors, including our Board's governing guidelines, committee charters, our Code of Conduct, and a biography of each director can be found on our [website](#).

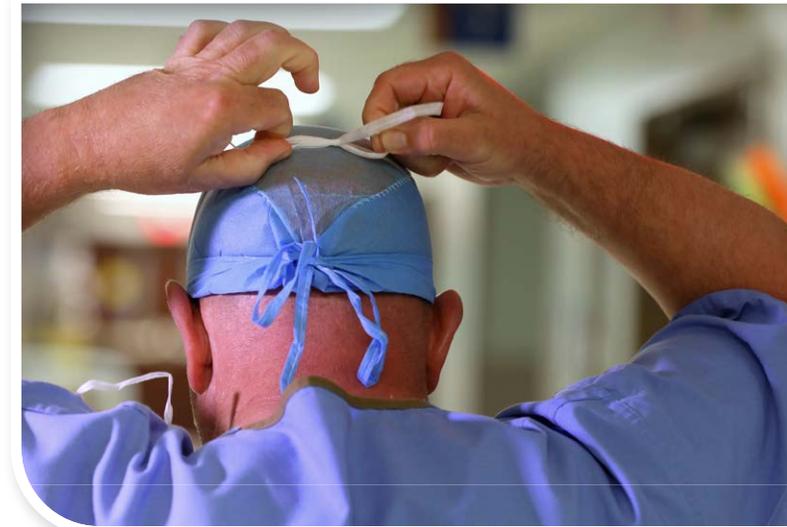
Ethics and Compliance

Every team member contributes to ethical operations and our high standards of behavior.

Community Health Systems has a longstanding Compliance Program to help ensure that all of us – individually and collectively - adhere to the many regulatory requirements for healthcare organizations. For us, it is not just about following the law, it is about doing the right thing, acting with absolute integrity, and upholding our company's values.

A cornerstone of our Compliance Program is our Code of Conduct. Every CHS-affiliate employee signs the Code of Conduct and also participates in our annual compliance training program, which is part of the organization's anti-corruption commitment.

Employees are encouraged to report any concerns to their supervisors or the compliance officers at their respective hospitals. Our Compliance Hotline also is available for employees, patients and their families, business partners, vendors, and anyone else who wants to report a concern or confidential disclosure. Callers may choose to identify themselves or remain anonymous.



Annual Compliance Training Completion Rate

100% of the Community Health Systems, Inc. Board of Directors

97% of CHS affiliate employees

Data for October 2020 through September 2021

Responsible Supply Chain Management

CHS is committed to supplier diversity and sourcing products that minimize harm to the environment.



As a very large purchaser of equipment, supplies and other products, Community Health Systems is deliberately working to increase supplier diversity by ensuring fair consideration for minority, women, and veteran-owned businesses. We also work to support opportunities for small businesses, which often offer innovative solutions.

We are committed to sourcing environmentally sound products whenever possible to minimize our impact on the earth. We also purchase reprocessed single-use medical devices and some reusable materials to reduce waste.

As a member of the HealthTrust Purchasing Group, CHS serves as an active participant on the HealthTrust Supplier Diversity Council and the HealthTrust Environmental Sustainability Council. CHS also benefits from HealthTrust policies that require suppliers, as well as their subcontractors and manufacturers, to comply at all times with applicable labor and employment laws, including those relating to child labor, forced labor, unsafe or unsanitary working conditions, and human trafficking. Suppliers also must comply with laws related to “conflict minerals” as defined in the Dodd-Frank Act.

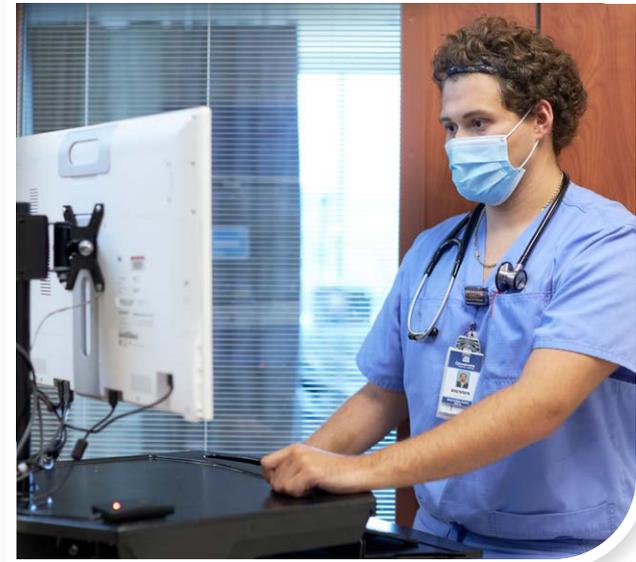
Electronic Health Records & Promoting Interoperability

The ability to exchange health information electronically can lead to better, safer patient care.

The CHS organization has used technology and electronic medical records to support clinical practice and patient care for more than a decade. Experts in clinical informatics and information technology regularly review clinical systems and engage with frontline providers for needed policy, procedure, or workflow changes.

The Four Promoting Interoperability Objectives are:

- **E-Prescribing:** Percent of discharge prescriptions transmitted electronically (not including controlled substances)
- **Support Electronic Referral Loop by Receiving and Reconciling Health Information:** Percent of external clinical documents received that were added to the electronic record and reconciliation of medication, allergies, and problems was completed
- **Support Electronic Referral Loop by Sending Health Information:** Percent of discharged patients for which a transition of care document was electronically transmitted to the follow-up provider
- **Provide Patients Electronic Access to the Health Information:** Percent of discharged patients for which their clinical information was available electronically (in Patient Portal) within 36 hours



Percentage of affiliated hospitals' Electronic Health Records that meet "Promoting Interoperability" requirements

January 1 - December 31	2020	2021
eRx	70.78%	79.01%
SERL Receiving	3.88%	2.77%
SERL Sending	31.60%	27.67%
Provide Electronic Access	97.67%	96.59%

Data reflects hospitals within the CHS network at the end of the reported periods (December 31, 2020 and August 31, 2021, respectively)

All CHS-affiliated acute-care hospitals are participating in the Promoting Interoperability Program (formerly known as Meaningful Use), using certified EHRs in the delivery of care, and offer a patient portal for online access.

Data Security

CHS has implemented numerous security measures to help safeguard sensitive data.



CHS affiliates handle millions of patient health records or other sensitive patient files every year. CHS and its affiliates have a comprehensive set of policies that address federal and state privacy laws, including, but not limited to, the HIPAA Privacy Rule, Security Rule, and Breach Notification Rule to secure customers' protected health information (PHI) records and other personally identifiable information (PII).

CHS and its affiliates maintain a layered security approach designed to minimize risk to sensitive data such as PHI and PII, including preventative and detective controls. Policies are reviewed annually, and adherence to policies and procedures is monitored through internal audits and assessments, including Security Risk Assessments, Data Privacy and Security Walkthroughs, and Compliance Assessments. Employees and some contractors are required to complete annual training for data privacy and security.

We employ an extensive vetting process to review vendor services and solutions before implementation, which includes a security risk assessment. Vendors are assessed for the strength and effectiveness of their security controls, and these requirements are reflected in our contracts and Business Associate Agreements.

In 2020 and 2021, there were no successful cyber-attacks against CHS-affiliate systems. We experienced no monetary losses in connection with legal proceedings related to data breaches in 2020 and 2021. "Inadvertent" data disclosures, meaning instances where an individual or group of individuals accidentally received access to PII or PHI to which they were not legally entitled, affected less than .01% of our total patient encounters in 2020 and 2021.

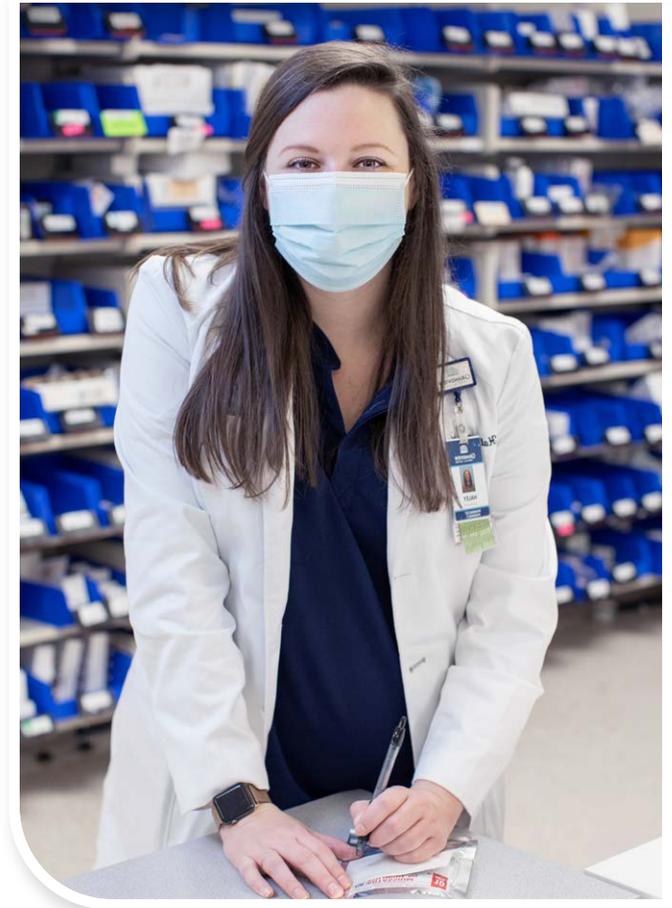
Managing Controlled Substances

We are actively working to help manage controlled substances and to end the opioid crisis.

In accordance with the American Hospital Association's guidelines and Joint Commission's Standards for Pain Assessment and Management, many of our affiliated hospitals have developed strategies to manage controlled substances, especially opioids. Opioid management teams at our hospitals elevate awareness, define direction, and drive efforts related to pain assessment and management.

More than half of our affiliated hospitals have reminders in the electronic medical record prompting providers to document that they have queried their state's prescription drug monitoring program (PDMP) database before prescribing certain controlled substances. The rest of our hospitals will add PDMP documentation alert reminders as their EMRs are upgraded in the future.

To further reduce unnecessary usage, more than half of our systems auto-default to a three-day supply for opioid prescriptions for acute pain management. And, standardized clinical order sets for pain management incorporate the use of multimodal pain management for post-operative procedures, opioid dosage reduction, and opioid overdose rescue medication (naloxone).





COMMUNITY HEALTH SYSTEMS

LOOKING
forward



Standing together, six feet apart, we have learned just how critical our human connections truly are. A pandemic proved how much we need one another, individually, collectively.

We need a sustainable world, a clean environment.
We need fairness and more equal opportunity for everyone.
We all deserve a healthy, secure future.

At CHS, we look forward. We move forward.
We are a hopeful, caring community of people –
accepting our undeniable responsibility to help
make our society and our planet...a better world.



Community Health Systems would like to express its sincere appreciation to the physicians, employees and patients depicted in the preceding pages. Most of the photographs in this report were taken in CHS-affiliated hospitals between March 2020 and September 2021.

To the many dedicated healthcare professionals who are part of the CHS community, and to all of the patients who entrust our organization for their healthcare, **we thank you.**

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