
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

Date of Report (Date of earliest event reported) December 9, 2010

UNIVERSAL HEALTH SERVICES, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

1-10765
(Commission
File Number)

23-2077891
(IRS Employer
Identification No.)

**Universal Corporate Center
367 South Gulph Road
King of Prussia, Pennsylvania**
(Address of principal executive offices)

19406
(Zip Code)

Registrant's telephone number, including area code: (610) 768-3300

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2 below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d- 2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e- 4(c))
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Item 1.01 Entry into Material Definitive Agreement

See Item 5.02 below which is incorporated herein by reference.

Item 1.02 Termination of Material Definitive Agreement

See Item 5.02 below which is incorporated herein by reference.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In October 1998, we entered into split dollar life insurance agreements, with a combined face value of \$16 million, in connection with second to die insurance policies issued on the lives of our chief executive officer, Alan B. Miller, and his wife and owned by the Alan B. Miller 1998 Dual Life Insurance Trust (the "1998 Trust"). This agreement and the related collateral assignment were assumed by and assigned to us in October 1998. We entered into two additional split dollar life insurance agreements, with a combined face value of \$30 million, in connection with life insurance policies issued on the life of Alan B. Miller and owned by the Alan B. Miller 2002 Trust (the "2002 Trust") in January 2002. These agreements and the related collateral assignments were assumed by and assigned to us in January, 2002. Pursuant to these agreements, we were required to make annual premium payments on the policies and we had an economic interest in the policies. We are entitled to receive a portion of the death proceeds equal to our share of the aggregate premium payments. Our interest in each policy was secured by a collateral assignment of the policy. Due to uncertainties regarding the legality of continued funding of these collateral assignment split-dollar arrangements resulting from the passage of the Sarbanes-Oxley Act of 2002, with the consent of Mr. Miller, we have not paid the annual premiums on these policies since 2002. Anthony Pantaleoni, a director of the Company, is Trustee of the 1998 Trusts and the 2002 Trusts.

From time to time, the Compensation Committee and the Board of Directors have considered various means by which to provide the benefits granted to Mr. Miller under these Agreements in a manner that is acceptable to the Company and Mr. Miller. Throughout 2010, with the help of its advisors, the Compensation Committee has evaluated, and kept the Board of Directors informed of, possible changes in these Agreements that comply with current applicable laws and regulations.

On December 9, 2010, the Compensation Committee of the Board of Directors recommended, and the Board of Directors approved, the Company's entering into supplemental life insurance plans and agreements with the 1998 Trust and the 2002 Trust (collectively, the "Trusts") previously established by Mr. Miller and which currently own the policies. The supplemental life agreements are to take the place of the existing arrangements. The supplemental life agreements are intended to constitute a "non-equity endorsement split-dollar arrangement" as defined by Internal Revenue Code and Regulations. In order to effectuate the supplemental life agreements, the Trusts will transfer the life insurance policies to the Company in exchange for cancellation of the existing split-dollar agreement obligation to repay the Company's premium advances. This transfer will terminate the existing split-dollar arrangements. As a result of these transfers, the Company will own the policies and will agree to endorse a portion of the death benefit to the Trusts. The Company (and the Trusts) will resume making premium payments on the policies. Premium payments will be shared by the Company and the Trusts, with the Trusts' portion determined under the principles established by applicable U.S. Treasury Department pronouncements, notices, rulings and regulations in effect for determining such costs for insurance (the same premium division contemplated in the original arrangement). Upon death of the insured(s), the Company will receive the greater of the cash value of the policy or the aggregate premiums paid by the Company and the Trusts. The Trusts will receive the remaining death benefit proceeds under the policies.

As a result of these Agreements, based on actuarial tables and other assumptions, during the life expectancies of the insureds the Company would pay approximately \$25.3 million in premiums and the Trusts would pay approximately \$8.2 million in premiums. Based on the projected premiums mentioned above, and assuming the policies remain in effect until the death of the insureds, the Company will be entitled to receive death benefit

proceeds of no less than \$33.5 million representing the \$25.3 million of aggregate premiums paid by the Company as well as the \$8.2 million of aggregate premiums paid by the Trusts.

Based on these projections, the total economic pre-tax cost to the Company (which includes the projected cost of capital net of the income resulting from the Trusts' expected future receipt of the \$8.2 million of premiums paid by the Trusts) would be \$11.3 million over the life expectancies of the insureds. It is expected that during the fourth quarter of 2010, the Company will expend approximately \$5.6 million in premium payments and will expend between \$1.0 million and \$ 1.4 million during each of the next twelve years and lesser amounts thereafter. All of the Company's premium payments (as well as the Trusts') are expected to be repaid to the Company utilizing the death benefit proceeds. The Company expects to record a pre-tax and after-tax expense of \$9.2 million during the fourth quarter of 2010 representing the present value of the Company's projected premium funding commitment over the terms of the policies.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

10.1 Form of Supplemental Life Insurance Plan and Agreement Part A: Alan B. Miller 1998 Dual Life Insurance Trust (effective December 9, 2010, by and between Universal Health Services, Inc., a Delaware corporation (the "Company"), and Anthony Pantaleoni as Trustee).

10.2 Form of Supplemental Life Insurance Plan and Agreement Part B: Alan B. Miller 2002 Trust (effective December 9, 2010, by and between Universal Health Services, Inc., a Delaware corporation (the "Company"), and Anthony Pantaleoni as Trustee).

10.3 Universal Health Services, Inc. Termination, Assignment and Release Agreement (effective December 9, 2010, by and between Universal Health Services, Inc., a Delaware corporation (the "Company"), Anthony Pantaleoni as Trustee of the Alan B. Miller 1998 Dual Life Insurance Trust, and Alan B. Miller, Executive).

10.4 Universal Health Services, Inc. Termination, Assignment and Release Agreement (effective December 9, 2010, by and between Universal Health Services, Inc., a Delaware corporation (the "Company"), Anthony Pantaleoni as Trustee of the Alan B. Miller 2002 Trust, and Alan B. Miller, Executive).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

UNIVERSAL HEALTH SERVICES, INC.

Date: December 10, 2010

By: _____ /s/ STEVE FILTON
Name: Steve Filton
Title: Senior Vice President and Chief Financial Officer

UNIVERSAL HEALTH SERVICES, INC.
SUPPLEMENTAL LIFE INSURANCE PLAN AND AGREEMENT
PART A: ALAN B. MILLER 1998 DUAL LIFE INSURANCE TRUST

UNIVERSAL HEALTH SERVICES, INC.
SUPPLEMENTAL LIFE INSURANCE PLAN AND AGREEMENT PART A

THIS SUPPLEMENTAL LIFE INSURANCE PLAN AND AGREEMENT (the “**Plan**”), is made and entered into effective December 9, 2010, by and between Universal Health Services, Inc., a Delaware corporation (the “**Company**”), and Anthony Pantaleoni (the “**Trustee**”), as Trustee of the Alan B. Miller 1998 Dual Life Insurance Trust (the “**Trust**”), which has been irrevocably designated by the insured executive, Alan B. Miller (the “**Executive**”) as the recipient of all benefits provided by the Company under the Plan on behalf of the Executive. The Plan is intended to constitute a “non-equity endorsement split dollar arrangement” under the Internal Revenue Code of 1986, as amended (the “**Code**”) and a “welfare benefit plan” under the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), and shall be interpreted accordingly.

ARTICLE 1
Definitions

1.1 “**Administrator**” shall mean the Board or the person or persons appointed by the Board to administer the Plan pursuant to Article 7 of the Plan. In no event shall the Executive participate, directly or indirectly, as a member of the Board of Directors or as a stockholder of the Company in any actions by the Company related to this policy.

1.2 “**Board**” shall mean the Board of Directors (including any committee thereof) of the Company.

1.3 “**Cumulative Premiums**” shall mean the total cumulative premium payments made on the applicable Policy by the Company and the Trust.

1.4 “**Economic Benefit**” shall mean the value of the economic benefit of the life insurance coverage provided to the Trust on behalf of the Executive under this Plan for income tax purposes, determined based on Treasury regulations, rulings issued by the Internal Revenue Service and other applicable authorities.

1.5 “**Insurance Company or Companies**” shall refer individually and collectively to the life insurance carriers issuing the applicable Policy or Policies.

1.6 “**Policy or Policies**” shall refer individually and collectively to the life insurance policies insuring the joint lives of the Executive and the Executive’s spouse, as described in Exhibit A hereto, made subject to the Plan pursuant to Article 2 of the Plan.

1.7 “**Spouse**” shall mean the spouse of the Executive, Jill Miller.

ARTICLE 2
Life Insurance Policies

2.1 Policies. To provide the insurance benefits under the Plan, the Company has acquired the Policies. The Company is the owner of the Policies and shall continue to hold all incidents of ownership therein. However, the Company shall take such action as may be necessary to endorse to the Trust a portion of the death benefit under each Policy in the amount provided under Article 3.

2.2 Premiums. The Trust shall pay that portion of the premiums on each Policy equal to the Economic Benefit for the applicable calendar year, and the Company shall pay the balance of the scheduled premium payments specified in Exhibit A with respect to each Policy, on or before the due date thereof under the terms of the Policy. In the event that the Trust fails to make the required portion of any premium payment when such payment shall become due under the terms of the Policy, the Company shall impute the difference between the Economic Benefit for the applicable calendar year and any premium paid by the Trust for such year as compensation income to the Executive for such calendar year.

2.3 Policy Loans, Withdrawals, or Surrender. The Company shall have no right to obtain loans or make withdrawals from the Policies or to surrender or exchange the Policies, without the prior written consent of the Trustee. Neither the Trustee nor the Executive shall have any present or future interest in Policy cash values nor any right to obtain loans or withdrawals or to surrender the Policies at any time.

2.4 Dividends and Investment of Policy Assets. Policy dividends shall be reinvested in the Policies, and the Administrator shall make any and all decisions regarding administration of the Policies, including investment of assets within the Policies according to the terms and conditions of the Policies.

2.5 Assignment. The Trust may assign to one or more individuals or trustees all or any part of the Trust's right, title, claim, interest, and benefit under the Plan provided that such assignment shall be subject to the terms and conditions of the Plan.

ARTICLE 3
Life Insurance Benefits

3.1 Death Benefit. The right to benefits under this Plan shall continue, without regard to the employment status of the Executive until the later of the death of the Executive or the Spouse. Upon the later of the death of the Executive or the Spouse, a portion of the death benefit payable under each Policy equal to the greater of the Cumulative Premiums or net cash value of the Policy (excluding surrender charges or other similar charges or reductions) immediately prior to the applicable death shall be paid to the Company. The balance of the death benefit shall be paid to the Trust and the Administrator shall file the appropriate forms with each Insurance Company to endorse such applicable portion of the death benefit under each Policy to the Trust.

ARTICLE 4
Amendment and Termination of Plan

4.1 Amendment or Termination of Plan. The Plan shall not be terminated or amended in any manner without prior written consent of both the Company and the Trustee. Notwithstanding the foregoing, either party shall have the unilateral right to terminate the Plan within sixty (60) days of the other party's failing to make any premium payment required under Section 2.2 of the Plan, or in the event that any material provision of the Plan is determined to be unenforceable or in violation of any applicable law. In the event of a termination of the Plan for any reason, the Trust shall have the right, but not the obligation, to purchase one or more of the Policies from the Company by notice to the Administrator within thirty (30) days of such termination of the Plan accompanied by good and valuable consideration in a form acceptable to the Administrator equal to the greater of the Cumulative Premiums or the net cash value of the applicable Policy (excluding surrender charges or other similar charges or reductions) as of the date of such Plan termination.

ARTICLE 5
Administration/Claims Procedures

5.1 Administration. The Administrator shall have the discretion to interpret and administer the Plan, to make, amend and rescind such rules as it deems reasonably necessary for the proper administration of the Plan, to appoint agents and to make all other arrangements and determinations reasonably necessary or advisable for the administration of the Plan. No member of the Administrator shall be liable for any determination, decision, or action made in good faith with respect to the Plan. The Company shall indemnify and hold harmless the members of the Administrator from and against any and all liabilities, costs, and expenses incurred by such persons as a result of any act or omission, in connection with the performance of such persons' duties, responsibilities, and obligations under the Plan, other than such liabilities, costs, and expenses as may result from the bad faith, willful misconduct, or criminal acts of such persons.

5.2 Notice of Right to Claim Benefits. The Administrator shall be the "named fiduciary" and shall notify the Trustee of the right to claim benefits under the Plan and the method and requirements for the filing of such claims. The benefit payments under the Plan shall be made by the Insurance Companies directly to the Trust in accordance with the endorsement and beneficiary designation filed under each Policy.

5.3 Claims Procedures. If the Trustee or another claimant believes that the Trust or claimant has been denied benefits or coverage to which it is entitled under the Plan, the claimant may file a written claim with the Administrator setting forth the nature of the benefit claimed, the amount thereof, and the basis for claiming entitlement to such benefit. The Administrator shall determine the validity of the claim and communicate a decision to the claimant promptly and, in any event, not later than ninety (90) days after receipt of the claim by the Administrator. The claim may be deemed by the claimant to have been denied in the event a decision is not furnished to the claimant within such ninety (90) day period. Every claim for benefits which is denied shall be denied by written notice setting forth in a manner calculated to be understood by the claimant (i) the specific reason or reasons for the denial, (ii) specific reference to any provisions of the Plan (including any internal rules, guidelines, protocols, criteria, etc.) on which

the denial is based, (iii) description of any additional material or information that is necessary to process the claim, and (iv) an explanation of the procedure for further reviewing the denial of the claim and the claimant's right to pursue legal action in the event of an adverse determination on review.

5.4 Review Procedures. Within sixty (60) days after the receipt of a denial on a claim, a claimant may file a written request for review of such denial. Such review shall be undertaken by the Board of Directors of the Company and shall be a full and fair review. The claimant shall have the right to review all pertinent documents. The Board of Directors shall issue a decision not later than sixty (60) days after the receipt of a request for review from a claimant. The decision on review shall be in writing and shall include specific reasons for the decision written in a manner calculated to be understood by the claimant with specific reference to any provisions of the Plan on which the decision is based and shall include an explanation of the claimant's right to pursue legal action in the event of an adverse determination on review.

ARTICLE 6 Miscellaneous

6.1 Successors of the Company. The rights and obligations of the Company under the Plan shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Company.

6.2 Employment Not Guaranteed. Nothing contained in the Plan nor any action taken hereunder shall be construed as a contract of employment or as giving the Executive any right to continued employment with the Company.

6.3 Captions. The captions of the articles and paragraphs of the Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

6.4 Validity. In the event any provision of the Plan is held invalid, void or unenforceable, the same shall not affect, in any respect whatsoever, the validity of any other provisions of the Plan.

6.5 Waiver of Breach. The waiver by the Company of any breach of any provision of the Plan shall not operate or be construed as a waiver of any subsequent breach by the Trust or the Executive.

6.6 Notice. Any notice or filing required or permitted to be given to the Company or the Trust under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, in the case of the Company, to the principal office of the Company, directed to the attention of the Administrator, and in the case of the Trust, to the attention of the Trustee at the address specified below, or such other address as may subsequently be provided to the Administrator by the Trustee or the Executive, with a copy to the Executive at the last known address of the Executive on the employment records of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

6.7 Notice to Insurance Company. The Administrator shall be responsible for notifying the applicable Insurance Companies of any changes in the ownership rights and interests of the Trust and the Company and of any changes in the beneficiary designation under the Policies, and the Insurance Companies shall be entitled to rely upon such notification received from the Administrator.

6.8 Applicable Law. In the event any provision of, or legal issue relating to, this Plan is not fully preempted by ERISA, such issue or provision shall be governed by the laws of the State of Pennsylvania.

IN WITNESS WHEREOF, the parties have executed this Plan and Agreement as of the day and year first above written.

COMPANY:

Universal Health Services, Inc.

By: /s/ Steve Filton

Title: Sr. Vice President and Chief Financial Officer

TRUST:

/s/ Anthony Pantaleoni

Trustee for the

Alan B. Miller 1998 Dual Life Insurance Trust

UNIVERSAL HEALTH SERVICES, INC.
SUPPLEMENTAL LIFE INSURANCE PLAN AND AGREEMENT
PART B: ALAN B. MILLER 2002 TRUST

UNIVERSAL HEALTH SERVICES, INC.
SUPPLEMENTAL LIFE INSURANCE PLAN AND AGREEMENT PART B

THIS SUPPLEMENTAL LIFE INSURANCE PLAN AND AGREEMENT (the “**Plan**”), is made and entered into effective December 9, 2010, by and between Universal Health Services, Inc., a Delaware corporation (the “**Company**”), and Anthony Pantaleoni (the “**Trustee**”), as Trustee of the Alan B. Miller 2002 Trust (the “**Trust**”), which has been irrevocably designated by the insured executive, Alan B. Miller (the “**Executive**”) as the recipient of all benefits provided by the Company under the Plan on behalf of the Executive. The Plan is intended to constitute a “non-equity endorsement split dollar arrangement” under the Internal Revenue Code of 1986, as amended (the “**Code**”) and a “welfare benefit plan” under the Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”), and shall be interpreted accordingly.

ARTICLE 1
Definitions

1.1 “**Administrator**” shall mean the Board or the person or persons appointed by the Board to administer the Plan pursuant to Article 7 of the Plan. In no event shall the Executive participate, directly or indirectly, as a member of the Board of Directors or as a stockholder of the Company in any actions by the Company related to this policy.

1.2 “**Board**” shall mean the Board of Directors (including any committee thereof) of the Company.

1.3 “**Cumulative Premiums**” shall mean the total cumulative premium payments made on the applicable Policy by the Company and the Trust.

1.4 “**Economic Benefit**” shall mean the value of the economic benefit of the life insurance coverage provided to the Trust on behalf of the Executive under this Plan for income tax purposes, determined based on Treasury regulations, rulings issued by the Internal Revenue Service and other applicable authorities.

1.5 “**Insurance Company or Companies**” shall refer individually and collectively to the life insurance carriers issuing the applicable Policy or Policies.

1.6 “**Policy or Policies**” shall refer individually and collectively to the life insurance policies insuring the life of the Executive as described in Exhibit A hereto, made subject to the Plan pursuant to Article 2 of the Plan.

ARTICLE 2
Life Insurance Policies

2.1 Policies. To provide the insurance benefits under the Plan, the Company has acquired the Policies. The Company is the owner of the Policies and shall continue to hold all incidents of ownership therein. However, the Company shall take such action as may be

necessary to endorse to the Trust a portion of the death benefit under each Policy in the amount provided under Article 3.

2.2 Premiums. The Trust shall pay that portion of the premiums on each Policy equal to the Economic Benefit for the applicable calendar year, and the Company shall pay the balance of the scheduled premium payments specified in Exhibit A with respect to each Policy, on or before the due date thereof under the terms of the Policy. In the event that the Trust fails to make the required portion of any premium payment when such payment shall become due under the terms of the Policy, the Company shall impute the difference between the Economic Benefit for the applicable calendar year and any premium paid by the Trust for such year as compensation income to the Executive for such calendar year.

2.3 Policy Loans, Withdrawals, or Surrender. The Company shall have no right to obtain loans or make withdrawals from the Policies or to surrender or exchange the Policies, without the prior written consent of the Trustee. Neither the Trustee nor the Executive shall have any present or future interest in Policy cash values nor any right to obtain loans or withdrawals or to surrender the Policies at any time.

2.4 Dividends and Investment of Policy Assets. Policy dividends shall be reinvested in the Policies, and the Administrator shall make any and all decisions regarding administration of the Policies, including investment of assets within the Policies according to the terms and conditions of the Policies.

2.5 Assignment. The Trust may assign to one or more individuals or trustees all or any part of the Trust's right, title, claim, interest, and benefit under the Plan provided that such assignment shall be subject to the terms and conditions of the Plan.

ARTICLE 3 Life Insurance Benefits

3.1 Death Benefit. The right to benefits under this Plan shall continue, without regard to the employment status of the Executive until the death of the Executive. Upon the death of the Executive, a portion of the death benefit payable under each Policy equal to the greater of the Cumulative Premiums or net cash value of the Policy (excluding surrender charges or other similar charges or reductions) immediately prior to death shall be paid to the Company. The balance of the death benefit shall be paid to the Trust and the Administrator shall file the appropriate forms with each Insurance Company to endorse such applicable portion of the death benefit under each Policy to the Trust.

ARTICLE 4 Amendment and Termination of Plan

4.1 Amendment or Termination of Plan. The Plan shall not be terminated or amended in any manner without prior written consent of both the Company and the Trustee. Notwithstanding the foregoing, either party shall have the unilateral right to terminate the Plan within sixty (60) days of the other party's failing to make any premium payment required under Section 2.2 of the Plan, or in the event that any material provision of the Plan is determined to be unenforceable or in violation of any applicable law. In the event of a termination of the Plan for

any reason, the Trust shall have the right, but not the obligation, to purchase one or more of the Policies from the Company by notice to the Administrator within thirty (30) days of such termination of the Plan accompanied by good and valuable consideration in a form acceptable to the Administrator equal to the greater of the Cumulative Premiums or the net cash value of the applicable Policy (excluding surrender charges or other similar charges or reductions) as of the date of such Plan termination.

ARTICLE 5

Administration/Claims Procedures

5.1 Administration. The Administrator shall have the discretion to interpret and administer the Plan, to make, amend and rescind such rules as it deems reasonably necessary for the proper administration of the Plan, to appoint agents and to make all other arrangements and determinations reasonably necessary or advisable for the administration of the Plan. No member of the Administrator shall be liable for any determination, decision, or action made in good faith with respect to the Plan. The Company shall indemnify and hold harmless the members of the Administrator from and against any and all liabilities, costs, and expenses incurred by such persons as a result of any act or omission, in connection with the performance of such persons' duties, responsibilities, and obligations under the Plan, other than such liabilities, costs, and expenses as may result from the bad faith, willful misconduct, or criminal acts of such persons.

5.2 Notice of Right to Claim Benefits. The Administrator shall be the "named fiduciary" and shall notify the Trustee of the right to claim benefits under the Plan and the method and requirements for the filing of such claims. The benefit payments under the Plan shall be made by the Insurance Companies directly to the Trust in accordance with the endorsement and beneficiary designation filed under each Policy.

5.3 Claims Procedures. If the Trustee or another claimant believes that the Trust or claimant has been denied benefits or coverage to which it is entitled under the Plan, the claimant may file a written claim with the Administrator setting forth the nature of the benefit claimed, the amount thereof, and the basis for claiming entitlement to such benefit. The Administrator shall determine the validity of the claim and communicate a decision to the claimant promptly and, in any event, not later than ninety (90) days after receipt of the claim by the Administrator. The claim may be deemed by the claimant to have been denied in the event a decision is not furnished to the claimant within such ninety (90) day period. Every claim for benefits which is denied shall be denied by written notice setting forth in a manner calculated to be understood by the claimant (i) the specific reason or reasons for the denial, (ii) specific reference to any provisions of the Plan (including any internal rules, guidelines, protocols, criteria, etc.) on which the denial is based, (iii) description of any additional material or information that is necessary to process the claim, and (iv) an explanation of the procedure for further reviewing the denial of the claim and the claimant's right to pursue legal action in the event of an adverse determination on review.

5.4 Review Procedures. Within sixty (60) days after the receipt of a denial on a claim, a claimant may file a written request for review of such denial. Such review shall be undertaken by the Board of Directors of the Company and shall be a full and fair review. The claimant shall have the right to review all pertinent documents. The Board of Directors shall

issue a decision not later than sixty (60) days after the receipt of a request for review from a claimant. The decision on review shall be in writing and shall include specific reasons for the decision written in a manner calculated to be understood by the claimant with specific reference to any provisions of the Plan on which the decision is based and shall include an explanation of the claimant's right to pursue legal action in the event of an adverse determination on review.

ARTICLE 6
Miscellaneous

6.1 Successors of the Company. The rights and obligations of the Company under the Plan shall inure to the benefit of, and shall be binding upon, the successors and assigns of the Company.

6.2 Employment Not Guaranteed. Nothing contained in the Plan nor any action taken hereunder shall be construed as a contract of employment or as giving the Executive any right to continued employment with the Company.

6.3 Captions. The captions of the articles and paragraphs of the Plan are for convenience only and shall not control or affect the meaning or construction of any of its provisions.

6.4 Validity. In the event any provision of the Plan is held invalid, void or unenforceable, the same shall not affect, in any respect whatsoever, the validity of any other provisions of the Plan.

6.5 Waiver of Breach. The waiver by the Company of any breach of any provision of the Plan shall not operate or be construed as a waiver of any subsequent breach by the Trust or the Executive.

6.6 Notice. Any notice or filing required or permitted to be given to the Company or the Trust under this Plan shall be sufficient if in writing and hand-delivered, or sent by registered or certified mail, in the case of the Company, to the principal office of the Company, directed to the attention of the Administrator, and in the case of the Trust, to the attention of the Trustee at the address specified below, or such other address as may subsequently be provided to the Administrator by the Trustee or the Executive, with a copy to the Executive at the last known address of the Executive on the employment records of the Company. Such notice shall be deemed given as of the date of delivery or, if delivery is made by mail, as of the date shown on the postmark on the receipt for registration or certification.

6.7 Notice to Insurance Company. The Administrator shall be responsible for notifying the applicable Insurance Companies of any changes in the ownership rights and interests of the Trust and the Company and of any changes in the beneficiary designation under the Policies, and the Insurance Companies shall be entitled to rely upon such notification received from the Administrator.

6.8 Applicable Law. In the event any provision of, or legal issue relating to, this Plan is not fully preempted by ERISA, such issue or provision shall be governed by the laws of the State of Pennsylvania.

IN WITNESS WHEREOF, the parties have executed this Plan and Agreement as of the day and year first above written.

COMPANY:

Universal Health Services, Inc.

By: /s/ Steve Filton

Title: Sr. Vice President and Chief Financial Officer

TRUST:

/s/ Anthony Pantaleoni

Trustee for the
Alan B. Miller 2002 Trust

**UNIVERSAL HEALTH SERVICES, INC.
TERMINATION, ASSIGNMENT AND RELEASE AGREEMENT**

WHEREAS, Universal Health Services, Inc., a Delaware corporation (the “Company”), and Anthony Pantaleoni (the “Trustee”) as Trustee of the Alan B. Miller 1998 Dual Life Insurance Trust (the “Trust”) irrevocably designated by the insured executive Alan B. Miller (the “Executive”) have entered into that certain Split Dollar Life Insurance Agreement (the “Split Dollar Agreement”) and Split Dollar Collateral Assignment (the “Collateral Assignment”) each effective as of October 8, 1998 and attached hereto as Exhibit A which together establish a “split-dollar” life insurance arrangement between the Company and the Trust;

WHEREAS, Article V of the Split Dollar Agreement provides that such Agreement shall terminate upon delivery by the Trustee to the Company of written notice of termination;

WHEREAS, Article VI of the Split Dollar Agreement provides that in the event of termination of the Agreement under Article V, that Trustee shall have ninety days to pay the Company an amount equal to the Company’s investment in the applicable insurance policies or to surrender the policies to or for the benefit of the Company in satisfaction of the obligations to the Company; and

WHEREAS, the Company and the Trustee with approval of the insured Executive now desire to terminate the Split Dollar Arrangement and the Collateral Assignment and to have the Trustee assign all right title and interest in the insurance policies covered by the Split Dollar Agreement and Collateral Assignment to the Company in full satisfaction of any obligation to the Company and release by the Company of all claims for repayment of the Company’s investment in the policies;

NOW, THEREFORE, the Company, the Trustee and the Executive hereby agree as follows, all to be effective as of December 9, 2010:

1. The Split Dollar Agreement is hereby terminated;

2. The Trustee, with approval of the Executive, hereby transfers all right, title and interest in the insurance policies subject to the Split Dollar Agreement and Collateral Assignment to the Company and releases the Company from any and all further obligations to the Trust and/or the Executive or his beneficiaries under the Split Dollar Agreement; and

3. The Company hereby accepts the transfer of the policies to it in full satisfaction of its rights under the Split Dollar Agreement and the Collateral Assignment and hereby releases the Trust and the Executive from any further obligations thereunder and hereby releases and terminates the Collateral Assignment.

IN WITNESS WHEREOF, the parties hereto have executed this Termination, Assignment and Release Agreement, to be effective as of December 9, 2010.

COMPANY:

Universal Health Services, Inc.

By: /s/ Steve Filton

Title: Sr. Vice President and Chief Financial Officer

TRUST:

/s/ Anthony Pantaleoni

Trustee for the

Alan B. Miller 1998 Dual Life Insurance Trust

EXECUTIVE:

/s/ Alan B. Miller

**UNIVERSAL HEALTH SERVICES, INC.
TERMINATION, ASSIGNMENT AND RELEASE AGREEMENT B**

WHEREAS, Universal Health Services, Inc., a Delaware corporation (the “Company”), and Anthony Pantaleoni (the “Trustee”) as Trustee of the Alan B. Miller 2002 Trust (the “Trust”) irrevocably designated by the insured executive Alan B. Miller (the “Executive”) have entered into two Split Dollar Life Insurance Agreements (together the “Split Dollar Agreements”) and Split Dollar Collateral Assignments (the “Collateral Assignments”) each effective as of January 25, 2002 and attached hereto as Exhibit A which together establish a “split-dollar” life insurance arrangement between the Company and the Trust;

WHEREAS, Article 5 of the Split Dollar Agreements provides that such agreements shall terminate upon delivery by the Trustee to the Company of written notice of termination;

WHEREAS, Article 6 of the Split Dollar Agreements provides that in the event of termination of the agreements under Article 5, that Trustee shall have ninety days to pay the Company an amount equal to the Company’s investment in the applicable insurance policies or to surrender the policies to or for the benefit of the Company in satisfaction of the obligations to the Company; and

WHEREAS, the Company and the Trustee with approval of the insured Executive now desire to terminate the Split Dollar Arrangement and the Collateral Assignments and to have the Trustee assign all right title and interest in the insurance policies covered by the Split Dollar Agreements and Collateral Assignments to the Company in full satisfaction of any obligation to the Company and release by the Company of all claims for repayment of the Company’s investment in the policies;

NOW, THEREFORE, the Company, the Trustee and the Executive hereby agree as follows, all to be effective as of December 9, 2010:

1. The Split Dollar Agreements are hereby terminated;

2. The Trustee, with approval of the Executive, hereby transfers all right, title and interest in the insurance policies subject to the Split Dollar Agreements and Collateral Assignments to the Company and releases the Company from any and all further obligations to the Trust and/or the Executive or his beneficiaries under the Split Dollar Agreements; and

3. The Company hereby accepts the transfer of the policies to it in full satisfaction of its rights under the Split Dollar Agreements and the Collateral Assignments and hereby releases the Trust and the Executive from any further obligations thereunder and hereby releases and terminates the Collateral Assignments.

IN WITNESS WHEREOF, the parties hereto have executed this Termination, Assignment and Release Agreement, to be effective as of December 9, 2010.

COMPANY:

Universal Health Services, Inc.

By: /s/ Steve Filton

Title: Sr. Vice President and Chief Financial Officer

TRUST:

/s/ Anthony Pantaleoni

Trustee for the
Alan B. Miller 2002 Trust

EXECUTIVE:

/s/ Alan B. Miller