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 23, 2020

UNIVERSAL HEALTH SERVICES, INC.
(Exact name of registrant as specified in its charter)

DELAWARE	1-10765	23-2077891
(State or other jurisdiction of Incorporation or Organization)	(Commission File Number)	(I.R.S. Employer Identification No.)

UNIVERSAL CORPORATE CENTER
367 SOUTH GULPH ROAD
KING OF PRUSSIA, PENNSYLVANIA 19406
(Address of principal executive office) (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 Instructions 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class B Common Stock	UHS	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02 Departure of Directors and Certain Officers; Election of Directors, Appointment of Certain Officers; Compensatory Arrangements of Certain Officers

As previously announced, the Board of Directors of Universal Health Services, Inc. (the "Company") has appointed Marc D. Miller, currently President of the Company, to assume the role of Chief Executive Officer while continuing to serve as President and a member of the Board of Directors and Alan B. Miller as Executive Chairman of the Board, in each case effective on January 1, 2021.

Marc D. Miller Chief Executive Officer Employment Agreement

On December 23, 2020, the Company and Marc D. Miller entered into an employment agreement ("MDM Employment Agreement"). The MDM Employment Agreement provides for the employment of Mr. Miller as Chief Executive Officer for an initial term beginning January 1, 2021 and ending on January 1, 2026, subject to earlier termination in accordance with its terms, and subject to automatic annual renewal for additional one-year periods unless either party elects to terminate the term of Mr. Miller's employment at the end of the initial term or at the end of a renewal term by giving one year's advance written notice of such termination. At all times during the term of employment, Mr. Miller shall be nominated to serve as a member of the Board of Directors.

During the term of Mr. Miller's active employment as Chief Executive Officer, he will earn a base salary of $1,100,000 for the calendar year ending December 31, 2021 and each calendar year thereafter unless increased by the Board in its discretion. In no event will the salary be reduced from one year to another.

For each year during the term of his employment as Chief Executive Officer, Mr. Miller will have an annual bonus opportunity target equal to 100% of his salary for the year. The amount of the annual bonus for any year may be more or less than the target amount and will be determined by the Board, consistent with past practice and based upon such performance measures as are established and communicated to Mr. Miller within ninety days of the beginning of the year.

During the period of his service as Chief Executive Officer, Mr. Miller will be eligible to receive annual awards under the Company's long-term incentive plan(s) ("LTIP") as in effect from time to time, subject to such vesting and other conditions as are consistent with terms and conditions applicable to LTIP awards made to other senior executives of the Company.

Vesting of Mr. Miller's LTIP awards will accelerate upon the occurrence of any of the following events and circumstances: (1) termination of his employment or other service due to disability or death; (2) termination of his employment or other service by the Company without cause; or (3) the termination of his employment or other service at any time by Mr. Miller or the Company under circumstances relating to a breach by the Company of the MDM Employment Agreement. If Mr. Miller's employment as Chief Executive Officer ends due to nonrenewal of the initial or a renewal term, then, at the time such employment ends, Mr. Miller will be fully vested in all then outstanding LTIP awards that were made to him during or before the term of his employment.

Mr. Miller is also entitled to receive certain fringe benefits, including health, disability and accident insurance as presently in force or as may be improved by the Board.

The MDM Employment Agreement will terminate upon the death of Mr. Miller and may be terminated upon the long term disability of Mr. Miller, subject to certain base salary and pro rata bonus payments to Mr. Miller or his estate as described in the MDM Employment Agreement.

Mr. Miller may be discharged only for "cause," as defined in the MDM Employment Agreement.

In the event that Mr. Miller shall be discharged for cause, all salary and other benefits payable by the Company under this Agreement in respect of periods after such discharge shall terminate upon such discharge, but any benefits payable to or earned by Mr. Miller with respect to any period of his employment or other service prior to such discharge shall be paid by the Company.

If Mr. Miller terminates his employment or other service with the Company because of a material change in the duties of his office or any other breach by the Company of its obligations under the MDM Employment Agreement, or in the event of the termination of Mr. Miller's employment by the Company without cause or otherwise in breach of the MDM Employment Agreement, Mr. Miller shall continue to receive all of the cash compensation and minimum long term incentive compensation and all of the benefits otherwise provided under the MDM Employment Agreement notwithstanding such termination for the remainder of the stated term.

The MDM Employment Agreement also contains customary non-disparagement, non-solicitation and non-competition provisions.

Alan B. Miller Executive Chairman Employment Agreement

On December 23, 2020, the Company and Alan B. Miller entered into an employment agreement ("ABM Employment Agreement"), which supersedes Mr. Miller's previous employment agreement that is dated July 24, 2013, as amended on November 5, 2018. The

ABM Employment Agreement provides for the employment of Mr. Miller as Executive Chairman for an initial term beginning January 1, 2021 and ending on January 1, 2022, subject to earlier termination in accordance with its terms, and subject to automatic annual renewal for additional one-year periods unless either party elects to terminate the term of Mr. Miller's employment at the end of the initial term or at the end of a renewal term by giving one year's advance written notice of such termination.

During the term of Mr. Miller's active employment as Executive Chairman, he will earn a base salary of $1,000,000 for the calendar year ending December 31, 2021 and each calendar year thereafter unless increased by the Board in its discretion. In no event will the salary be reduced from one year to another.

During the period of his service as Executive Chairman, Mr. Miller will be eligible to receive annual awards under the Company's long-term incentive plan(s) ("LTIP") as in effect from time to time, subject to such vesting and other conditions as are consistent with terms and conditions applicable to LTIP awards made to other senior executives of the Company.

Vesting of Mr. Miller's LTIP awards will accelerate upon the occurrence of any of the following events and circumstances: (1) termination of his employment or other service due to disability or death; (2) termination of his employment or other service by the Company without cause; or (3) the termination of his employment or other service at any time by Mr. Miller or the Company under circumstances relating to a breach by the Company of the ABM Employment Agreement. If Mr. Miller's employment as Executive Chairman ends due to nonrenewal of the initial or a renewal term, then, at the time such employment ends, Mr. Miller will be fully vested in all then outstanding LTIP awards that were made to him during or before the term of his employment.

Mr. Miller is also entitled to receive perquisites including, but not limited to split dollar life insurance payments (as permitted by applicable law), use of a Company automobile and certain automobile costs and certain other fringe benefits and compensation. In addition, Mr. Miller may use a private plane for personal purposes for up to 60 hours per year, subject to reimbursement by Mr. Miller, at market rates, of the incremental costs incurred.

The ABM Employment Agreement will terminate upon the death of Mr. Miller and may be terminated upon the long term disability of Mr. Miller, subject to certain base salary payments to Mr. Miller or his estate as described in the ABM Employment Agreement.

Mr. Miller may be discharged only for "cause," as defined in the ABM Employment Agreement.

In the event that Mr. Miller shall be discharged for cause, all salary and other benefits payable by the Company under this Agreement in respect of periods after such discharge shall terminate upon such discharge, but any benefits payable to or earned by Mr. Miller with respect to any period of his employment or other service prior to such discharge shall be paid by the Company.

If Mr. Miller terminates his employment or other service with the Company because of a material change in the duties of his office or any other breach by the Company of its obligations under the ABM Employment Agreement, or in the event of the termination of Mr. Miller's employment by the Company without cause or otherwise in breach of the ABM Employment Agreement, Mr. Miller shall continue to receive all of the cash compensation and minimum long term incentive compensation and all of the benefits otherwise provided under the ABM Employment Agreement notwithstanding such termination for the remainder of the stated term.

The ABM Employment Agreement also contains customary non-disparagement, non-solicitation and non-competition provisions.

The foregoing description of the MDM Employment Agreement and the ABM Employment Agreement does not purport to be complete and is qualified in its entirety by reference to the full text of the employment agreements, copies of which are filed as Exhibit 10.1 and 10.2, respectively, hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

10.1	Employment Agreement between Universal Health Services, Inc. and Marc D. Miller dated as of December 23, 2020
10.2	Employment Agreement between Universal Health Services, Inc. and Alan B. Miller dated as of December 23, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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.

By: /s/ Steve Filton

Name: Steve Filton

Title: Executive Vice President and
Chief Financial Officer

Date: December 28, 2020

EXHIBIT 10.1

EMPLOYMENT AGREEMENT

AGREEMENT dated as of December 23, 2020, by and between UNIVERSAL HEALTH SERVICES, INC., a Delaware corporation having its principal office at 367 South Gulph Road, King of Prussia, Pennsylvania 19406 (the "Company") and Marc D. MILLER, residing at 838 Summit Road, Penn Valley, Pennsylvania 19072 ("Mr. Miller").

WITNESSETH:

WHEREAS, Mr. Miller has been appointed to serve as the Company's Chief Executive Officer effective as of January 1, 2021; and

WHEREAS, the Company and Mr. Miller now desire to enter into an employment agreement which will provide the terms and conditions of Mr. Miller's service with the Company as Chief Executive Officer:

NOW, THEREFORE, the parties agree as follows:

1. Term of CEO Employment.

The phrase "term of CEO employment," as used in this Agreement, shall mean the period beginning January 1, 2021 and ending on January 1, 2026 subject, however, to earlier termination as expressly provided herein, and subject further to automatic annual renewal for additional one year periods unless either party elects to terminate the term of CEO employment at the end of the initial term or at the end of a renewal term by giving written notice of such termination to the other before January 1, 2025 if the termination date is January 1, 2026 or January 1 of the last annual renewal term (one year notice).

2. CEO Employment.

The Company agrees to employ Mr. Miller, and Mr. Miller agrees to be employed by the Company, as Chief Executive Officer of the Company during the term of CEO employment. At all times during the term of CEO employment, Mr. Miller shall be nominated to serve as a member of the Board of Directors (the "Board") of the Company.

3. Duties During the Term of CEO Employment.

(a) Mr. Miller agrees in the performance of his duties as Chief Executive Officer during the term of CEO employment to comply with the policies and directives of the Board (and the board of directors of any subsidiary or subsidiaries of the Company which shall, with the consent of Mr. Miller, at the time employ Mr. Miller).

(b) Mr. Miller agrees to devote his full time to the performance of his duties hereunder during the term of CEO employment; and Mr. Miller shall not, directly or indirectly, alone or as a member of a partnership, or as an officer, director or employee of any other corporation, partnership or other organization, be actively engaged in or concerned with any other duties or pursuits which interfere with the performance of his duties hereunder. The parties acknowledge that Mr. Miller presently serves as a member of the board of directors of certain other companies and that, during the term of CEO employment, Mr. Miller will not become a member of the board of directors of any additional companies without the prior written consent of the Board.

(c) The Company agrees that during the term of CEO employment Mr. Millers' duties shall be such as to allow him to work and live in the Philadelphia Metropolitan Area, and in no event shall Mr. Miller be required to move his residence from, or operate (except in accordance with past practice) outside of, the Philadelphia Metropolitan Area.

4. Base Salary and Annual Bonus During Term of CEO Employment.

(a) During the term of CEO employment, the Company will pay or cause to be paid to Mr. Miller an annual salary. The amount of Mr. Miller's annual salary will be $1,100,000 for the calendar year ending December 31, 2021 and each calendar year thereafter unless increased by the Board in its discretion. In no event shall the salary be reduced from one year to another.

(b) For each year during the term of CEO employment, Mr. Miller will have an annual bonus opportunity target equal to 100% of his salary for the year. The amount of the annual bonus ("Annual Bonus") for any year may be more or less than the target amount and will be determined by the Board, consistent with past practice and based upon such performance measures as are established and communicated to Mr. Miller within ninety days of the beginning of the year. The Annual Bonus for a year will be determined and payable within ninety days after the end of the year.

5. Reimbursement of Expenses.

During the term of this Agreement, the Company will pay or reimburse Mr. Miller for the payment of all reasonable travel and other expenses incurred or paid by Mr. Miller in connection with the performance of his services under this Agreement in accordance with past practice.

6. Other Bonuses and Benefits.

(a) Mr. Miller may also be paid during the term of this Agreement, in addition to the arrangements described herein, such bonuses and other compensation as may from time to time be determined by the Board.

(b) Mr. Miller shall also be eligible to and shall participate in, and receive the benefits of, any and all profit sharing, pension, bonus, welfare, stock option or insurance plans, or other similar types of benefit plans which may be initiated or adopted by the Company for the benefit of other employees.

7. Fringe Benefits.

Mr. Miller shall be entitled to and shall receive the following fringe benefits during the term of CEO employment: Health, disability and accident insurance as presently in force or as may be improved by the Board.

8. Long-Term Equity Incentive Compensation.

(a) During the period of his service as Chief Executive Officer, Mr. Miller will be eligible to receive annual awards under the Company's long-term incentive plan(s) ("LTIP") as in effect from time to time, which will be subject to conditions as are consistent with terms and conditions applicable to LTIP awards made to other senior executives of the Company.

(b) Vesting of Mr. Miller's LTIP awards will accelerate upon the occurrence of any of the following events and circumstances: termination of his employment or other service by the Company due to Disability (within the meaning of Section 9) or termination of his employment or other service due to death; (2) termination of his employment or other service by the Company without cause (within the meaning of Section 11(a) of this Agreement); or (3) the termination of his employment or other service at any time by Mr. Miller or the Company under circumstances described in Section 11(b) of this Agreement (relating to termination resulting from the Company's breach of this Agreement). If Mr. Miller's employment as CEO ends due to nonrenewal of the initial or a renewal term of CEO employment by the Company, then, at the time such employment ends, Mr. Miller will be fully vested in all then outstanding LTIP awards that were made to him during or before the term of CEO employment.

9. Disability.

If during the term of CEO employment Mr. Miller shall become physically or mentally disabled, whether totally or partially, so that he is prevented from performing his usual duties for a period of six (6) consecutive months, or for shorter periods aggregating six months in any twelve-month period, the Company shall, nevertheless, continue to pay Mr. Miller his full compensation, when otherwise due, as provided in this Agreement through the last day of the sixth consecutive month of disability or the date on which the shorter periods of disability shall have equaled a total of six (6) months in any twelve-month period. The Company may, by action of all but two of the members of the Board, at any time on or after such day, by written notice to Mr. Miller (the "Disability Notice"), provided Mr. Miller has not resumed his usual duties prior to the date of the Disability Notice, terminate (as of the first day of the month following the date of the Disability Notice, provided that Mr. Miller shall also be paid a pro rata portion of the Annual Bonus which would otherwise have been payable for such fiscal year in which the Disability Notice is given) the compensation otherwise payable to Mr. Miller during the term of CEO employment and pay to Mr. Miller the Disability Payment. The Disability Payment shall mean the payment by the Company to Mr. Miller of a sum equal to one-half of Mr. Miller's base salary paid under Section 4 hereof at the date of the Disability Notice, payable in twelve equal monthly installments beginning during the calendar month after the date of the Disability Notice. The amount of the pro rata Annual Bonus will be payable to Mr. Miller in cash when the Annual Bonus for the year of termination would otherwise have been paid if Mr. Miller's employment had not terminated.

10. Death.

(a) If Mr. Miller shall die during the term of this Agreement, this Agreement shall terminate as of the last day of the month of Mr. Miller's death except as set forth in subsection (b) of this Section 10.

(b) Anything to the contrary notwithstanding, the Company shall pay to Mr. Miller's beneficiary a pro rata portion of the Annual Bonus which would otherwise have been payable to Mr. Miller for the fiscal year in which he died, which pro rata portion shall be determined as of the last day of the month of Mr. Miller's death, together with any items of reimbursement or salary owed to Mr. Miller as of the date of his death. For the purpose of the preceding sentence, Mr. Miller's beneficiary shall be deemed to be his surviving spouse, if any, or, if none, his estate. Payment of such amounts will be made to Mr. Miller's beneficiary as soon as practicable after the date of his death, but no later than March 15 of the following year. In addition, the Company shall file claims and take other appropriate action with respect to any life insurance policies maintained on Mr. Miller's life by the Company for which Mr. Miller had the right to designate the beneficiary.

11. Termination.

(a) Discharge for Cause. The Company recognizes that during the many years of Mr. Miller's employment by the Company, the Company has become familiar with Mr. Miller's ability, competence and judgment. The Company acknowledges, on the basis of such familiarity, that Mr. Miller's ability, competence and judgment are satisfactory to the Company. Mr. Miller is continuing his employment with the Company hereunder in reliance upon the foregoing expression of satisfaction by the Company. It is therefore agreed that "discharge for cause" shall include discharge by the Company on the following grounds only:

(i) Mr. Miller's conviction (which, through lapse of time or otherwise, is not subject to appeal) of any crime or offense involving money or other property of the Company or its subsidiaries; or

(ii) Mr. Miller's conviction (which, through lapse of time or otherwise, is not subject to appeal) of any other crime (whether or not involving the Company or its subsidiaries) which constitutes a felony in the jurisdiction involved; or

(iii) Mr. Miller's continuing repeated willful failure or refusal to perform his duties as required by this Agreement, provided that discharge pursuant to this subparagraph (iii) shall not constitute discharge for cause unless Mr. Miller shall have first received written notice from the Board apprising him of such failure and refusal and affording him an opportunity, as soon as practicable, to correct the acts or omissions complained of.

In the event that Mr. Miller shall be discharged for cause, all salary and other benefits payable by the Company under this Agreement in respect of periods after such discharge shall terminate upon such discharge, but any benefits payable to or earned by Mr. Miller with respect to any period of his employment or other service prior to such discharge shall not be terminated by reason of such discharge. Anything in the foregoing to the contrary notwithstanding, if Mr. Miller is convicted of any crime set forth in either Section 11(a)(i) or 11(a)(ii) above, the Company may forthwith suspend Mr. Miller without any compensation and choose a new person or persons to perform his duties hereunder during the period between conviction and the time when such conviction, through lapse of time or otherwise, is no longer subject to appeal; provided, however, that if Mr. Miller's conviction is subsequently reversed (i) he shall promptly be paid all cash compensation and minimum long term incentive compensation to which he would otherwise have been entitled during the period of suspension, together with interest thereon (which interest shall be calculated at a rate per annum equal to the rate of interest payable on the date of such reversal on money judgments after entry thereof under the laws of the Commonwealth of Pennsylvania), and (ii) the Company shall have the right (exercisable within sixty (60) days after such reversal) but not the obligation to restore Mr. Miller to active service hereunder at full compensation. If the Company elects not to restore Mr. Miller to active service after reversal of a conviction, Mr. Miller shall thereafter be paid the full compensation which would otherwise have been payable during the balance of the term of CEO employment as if Mr. Miller's employment had continued, and Mr. Miller shall be entitled to obtain other employment, subject however to an obligation to perform occasional consulting services at his reasonable convenience to the Company so long as he is receiving compensation pursuant to the terms of this Agreement, (ii) the continued application of the covenants provided in Section 12 and (iii) the condition that, if Mr. Miller does obtain other employment, his total compensation therefrom (whether paid to him or deferred for his benefit) shall reduce, pro tanto, any amount which the Company would otherwise have been required to pay him pursuant to this subparagraph.

(b) Breach by Company. If Mr. Miller shall terminate his employment or other service with the Company because of a material change in the duties of his office or any other breach by the Company of its obligations hereunder, or in the event of the termination of Mr. Miller's employment by the Company without cause or otherwise in breach of this Agreement, Mr. Miller shall, except as otherwise provided herein, continue to receive all of the cash compensation and minimum long term incentive compensation provided hereunder and shall be entitled to all of the benefits otherwise provided herein, during the term of this Agreement notwithstanding such termination and Mr. Miller shall have no further obligations or duties under this Agreement. If Mr. Miller is entitled to receive payments under this subparagraph, he shall not be required to seek other employment in order to mitigate his damages hereunder; provided, however, that if Mr. Miller does obtain other employment, his total compensation therefrom, whether paid to him or deferred for his benefit, shall reduce, pro tanto, any amount which the Company would otherwise be required to pay to him pursuant to this subparagraph.

(c) Notwithstanding anything to the contrary contained herein, the Board will condition severance payments or benefits otherwise payable under this Agreement upon the execution and delivery by Mr. Miller (or Mr. Miller's beneficiary) of a general release in favor of the Company, its affiliates and their officers, directors and employees, in such form as the Board may reasonably prescribe within five days after the termination of Mr. Miller's employment, fully taking into account Mr. Miller's rights hereunder, provided, however, that no such release will be required as a condition of Mr. Miller's (or the beneficiary's) entitlement to any accrued compensation. In order to satisfy the release condition, Mr. Miller must deliver an executed copy of the release to the Company and the release must become irrevocable no more than 65 days after the date his employment terminates. Payments and benefits that are conditioned upon the execution and delivery of a release will be deferred until the date the release becomes irrevocable, provided that, if the 65-day release return period ends in a subsequent calendar year, such payments and benefits will be deferred until the later of the date the release becomes irrevocable or January 2 of such subsequent calendar year. For the purposes of the foregoing, the release will be deemed to be irrevocable at the expiration of the seven day revocation period prescribed by the Age Discrimination in Employment Act of 1967, as amended, or any similar revocation period in effect on the effective date of the termination of Mr. Miller's employment.

12. Restrictive Covenants.

(a) Mr. Miller agrees that he will not during the term of this Agreement, directly or indirectly, own, manage, operate, join, control, be controlled by, or be connected in any manner with any business of the type conducted by the Company or render any service or assistance of any kind to any competitor of the Company or any of its subsidiaries; provided, however, that (i) in the event Mr. Miller terminates his employment with the Company as result of a material breach by the Company of any of its obligations hereunder or in the event the Company discharges Mr. Miller without cause, Mr. Miller shall continue to be bound by the restrictions of this Section 12 only if Mr. Miller is receiving the compensation payable to him in accordance with Section 11(b) hereof and (ii) in the event the Company discharges Mr. Miller for cause, Mr. Miller shall be bound by the restrictions of this Section for a period of one year following such discharge.

(b) During the period of his service under this Agreement and for one year thereafter, Mr. Miller will not, directly or indirectly, solicit or induce any individual who is or who, within the preceding six months, was employed by the Company or any of its affiliates to leave such employment and to become an employee of any other person, firm or entity in which Mr. Miller has an interest, financial or otherwise.

(c) During the period of his service under this Agreement and thereafter, Mr. Miller will not disparage the Company or any of its affiliates, including any of their respective officers, directors and employees, and neither the Company nor any of its affiliates and any of their respective officers, directors and employees will disparage Mr. Miller, in either case in a manner which is intended to cause damage to the business, reputation or assets of the other.

13. Binding Effect.

Except as otherwise provided for herein, this Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors in interest and assigns of the parties hereto.

14. Income Tax Matters.

(a) The payment of any amount pursuant to this Agreement shall be subject to all applicable tax withholding.

(b) It is intended that any amounts payable under this Agreement will either be exempt from or comply with Section 409A of the Internal Revenue Code ("Section 409A") and the regulations thereunder so as not to subject Mr. Miller to the imposition of any tax, penalty or interest under Section 409A. This Agreement will be construed and administered accordingly. Toward that end:

(i) Any reference to Mr. Miller's termination of employment or terms of like import shall be deemed to refer to a "separation from service" (within the meaning of Section 409A and the regulations thereunder) if and to the extent such reference applies to a payment that is required to be made under this Agreement and that constitutes deferred compensation covered by Section 409A. Whenever payments under this Agreement are to be made in installments, each such installment shall be deemed to be a separate payment for purposes of Section 409A.

(ii) In the event Mr. Miller is a "specified employee" (within the meaning and for purposes of Section 409A) on the date of his termination of employment, any payment that is subject to Section 409A and that is payable to Mr. Miller in connection with the termination of his employment, shall be delayed until the date that is six months after the date of such termination of employment (or, if earlier, until the date of Mr. Miller's death), at which time Mr. Miller (or his beneficiary, as the case may be) shall receive a catch-up payment of the amounts that otherwise would have been paid in the absence of such delay.

(iii) To the extent that the reimbursement of any expenses or the provision of any in-kind benefits under this Agreement are subject to Section 409A, (A) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided during any one calendar year shall not affect the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year (provided that this clause (A) will not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Internal Revenue Code solely because such expenses are subject to a limit related to the period the arrangement is in effect); (B) reimbursement of any such expense shall be made no later than December 31 of the year following the calendar year in which such expense is incurred; and (C) the Mr. Miller's right to receive such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

15. Recoupment.

Mr. Miller's rights with respect to any bonus award or LTIP award based upon the performance of the Company shall in all events be subject to (a) any right that the Company may have under any Company recoupment and/or forfeiture policy adopted by the Company at any time generally applicable to executive officers of the Company, and (b) any right or obligation the Company may have regarding the claw back of "incentive-based compensation" under the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable securities law or the listing requirements of any national securities exchange on which the Company's Shares are listed.

16. Notices.

All notices provided for herein to be given to any party shall be in writing and signed by the party giving the notice and shall be deemed to have been duly given if mailed, registered or certified mail, return receipt requested, as follows:

(i) If to Mr. Miller:

838 Summit Road
Penn Valley, Pennsylvania, 19072

(ii) If to Company:

367 South Gulph Road
King of Prussia,
Pennsylvania 19406
Attention: Secretary

Either party may change the address to which notices, requests, demands and other communications hereunder shall be sent by sending written notice of such change of address to the other party.

17. Amendment, Modification and Waiver.

The terms, covenants, representations, warranties or conditions of this Agreement may be amended, modified or waived only by a written instrument executed by the parties hereto, except that a waiver need only be executed by the party waiving compliance. No waiver by any party of any condition, or of the breach of any term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in anyone or more instances shall be deemed to be or construed as a waiver of any other condition or breach of any other term, covenant, representation or warranty of this Agreement.

18. Governing Law.

This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania applicable to agreements made and to be performed therein.

19. Entire Agreement.

This Agreement contains the entire agreement of the parties relating to the subject matter herein contained and supersedes all prior contracts, agreements or understandings between and among the parties, except as set forth herein.

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

UNIVERSAL HEALTH SERVICES, INC.

By: /s/ Steve
Filton
Executive Vice President and Chief Financial Officer

/s/ Marc D. Miller

EXHIBIT 10.2

EMPLOYMENT AGREEMENT

AGREEMENT dated as of December 23, 2020, by and between UNIVERSAL HEALTH SERVICES, INC., a Delaware corporation having its principal office at 367 South Gulph Road, King of Prussia, Pennsylvania 19406 (the “Company”) and ALAN B. MILLER, residing at 57 Crosby Brown Road, Gladwyne, Pennsylvania 19035 (“Mr. Miller”).

WITNESSETH:

WHEREAS, Mr. Miller is presently employed as the Company’s Chief Executive Officer and Chairman of the Board of Directors, pursuant to an amended and restated employment agreement dated as of July 24, 2013, as amended (the “Prior Agreement”); and

WHEREAS, the Company and Mr. Miller now desire to enter into a new employment agreement which will provide the terms and conditions of Mr. Miller’s continuing service with the Company and supersede the Prior Agreement as of January 1, 2021.

NOW, THEREFORE, the parties agree as follows:

1. Term of Executive Chairman Employment.

The phrase “term of Executive Chairman employment,” as used in this Agreement, shall mean the period beginning January 1, 2021 and ending on January 1, 2022, subject, however, to earlier termination as expressly provided herein, and subject further to automatic annual renewal for additional one year periods unless either party elects to terminate the term of Executive Chairman employment at the end of the initial term or at the end of a renewal term by giving written notice of such termination to the other before January 1 of the initial term or last annual renewal term (one year notice).

2. Executive Chairman employment.

The Company agrees to employ Mr. Miller, and Mr. Miller agrees to be employed by the Company, as Executive Chairman of the Board of Directors of the Company (the “Board”) during the term of Executive Chairman employment.

3. Duties During the Term of Executive Chairman employment.

(a) Mr. Miller agrees in the performance of his duties as Executive Chairman during the term of Executive Chairman employment to comply with the policies and directives of the Board (and the board of directors of any subsidiary or subsidiaries of the Company which shall, with the consent of Mr. Miller, at the time employ Mr. Miller).

(b) Mr. Miller agrees to devote such time to the performance of his duties hereunder during the term of Executive Chairman employment as reasonably necessary to perform the responsibilities assigned to him from time to time by the Board of Directors; and Mr. Miller shall not, directly or indirectly, alone or as a member of a partnership, or as an officer, director or employee of any other corporation, partnership or other organization, be actively engaged in or concerned with any other duties or pursuits which interfere with the performance of his duties hereunder. The parties acknowledge that Mr. Miller presently serves as Chairman of the Board and Chief Executive Officer of Universal Health Realty Income Trust and as a member of the board of directors of certain other companies and that, during the term of Executive Chairman employment, Mr. Miller will not become a member of the board of directors of any additional companies without the prior written consent of the Board.

(c) The Company agrees that during the term of Executive Chairman employment Mr. Millers' duties shall be such as to allow him to work and live in the Philadelphia Metropolitan Area, and in no event shall Mr. Miller be required to move his residence from, or operate (except in accordance with past practice) outside of, the Philadelphia Metropolitan Area.

4. . Base Salary During Term of Executive Chairman employment

During the term of Executive Chairman employment, the Company will pay or cause to be paid to Mr. Miller an annual salary. The amount of Mr. Miller's annual salary will be $1,000,000 for the calendar year ending December 31, 2021 and each calendar year thereafter unless increased by the Board of Directors of the Company (the "Board") in its discretion. In no event shall the salary be reduced from one year to another.

5. Reimbursement of Expenses.

During the term of this Agreement, the Company will pay or reimburse Mr. Miller for the payment of all reasonable travel and other expenses incurred or paid by Mr. Miller in connection with the performance of his services under this Agreement in accordance with past practice.

6. Other Bonuses and Benefits.

(a) Mr. Miller may also be paid during the term of this Agreement, in addition to the arrangements described herein, such bonuses and other compensation as may from time to time be determined by the Board.

(b) Mr. Miller shall also be eligible to and shall participate in, and receive the benefits of, any and all profit sharing, pension, bonus, welfare, stock option or insurance plans, or other similar types of benefit plans which may be initiated or adopted by the Company for the benefit of other employees. For purposes of the Company's Executive Retirement Income Plan, the monthly Compensation for the three years preceding retirement shall be deemed to be the average monthly compensation for the three years ended immediately prior to January 1, 2021.

7. Fringe Benefits.

Mr. Miller shall be entitled to and shall receive the following fringe benefits during the term of this Agreement:

(a) The fringe benefits listed on Schedule A annexed hereto;

(b) Health, disability and accident insurance as presently in force or as may be improved by the Board; and

(c) To the extent not covered elsewhere herein, the use of a private plane for personal purposes for up to 60 hours per year, subject to reimbursement by Mr. Miller at market rates, all consistent with past practice.

8. Long-Term Equity Incentive Compensation:

(a) During the period of his service as Executive Chairman, Mr. Miller will be eligible to receive annual awards under the Company's long-term incentive plan(s) ("LTIP") as in effect from time to time, subject to such vesting and other conditions as are consistent with terms and conditions applicable to LTIP awards made to other senior executives of the Company.

(b) Vesting of Mr. Miller's LTIP awards will accelerate upon the occurrence of any of the following events and circumstances:

(1) termination of his employment or other service by the Company due to Disability (within the meaning of Section 9) or termination of his employment or other service due to death; (2) termination of his employment or other service by the Company without cause (within the meaning of Section 11(a) of this Agreement); or (3) the termination of his employment or other service at any time by Mr. Miller or the Company under circumstances described in Section 11(b) of this Agreement (relating to termination resulting from the Company's breach of this Agreement). If Mr. Miller's employment as Executive Chairman ends due to nonrenewal of the initial or a renewal term of Executive Chairman employment by the Company, then, at the time such employment ends, Mr. Miller will be fully vested in all then outstanding LTIP awards that were made to him during or before the term of Executive Chairman employment. All outstanding awards shall continue to vest in accordance with the vesting schedule set forth in agreements governing awards subject acceleration as provided in this paragraph.

9. Disability.

If during the term of Executive Chairman employment Mr. Miller shall become physically or mentally disabled, whether totally or partially, so that he is prevented from performing his usual duties for a period of six (6) consecutive months, or for shorter periods aggregating six months in any twelve-month period, the Company shall, nevertheless, continue to pay Mr. Miller his full compensation, when otherwise due, as provided in this Agreement through the last day of the sixth consecutive month of disability or the date on which the shorter periods of disability shall have equaled a total of six (6) months in any twelve-month period. The Company may, by action of all but two of the members of the Company's Board of Directors, at any time on or after such day, by written notice to Mr. Miller (the "Disability Notice"), provided Mr. Miller has not resumed his usual duties prior to the date of the Disability Notice, terminate (as of the first day of the month following the date of the Disability Notice) the compensation otherwise payable to Mr. Miller during the term of Executive Chairman employment and pay to Mr. Miller the Disability Payment. The Disability Payment shall mean the payment by the Company to Mr. Miller of a sum equal to one-half of Mr. Miller's base salary paid under Section 4 hereof at the date of the Disability Notice, payable in twelve equal monthly installments beginning on or as soon as practicable (but not more than 30 days) after the date of the Disability Notice.

10. Death.

(a) If Mr. Miller shall die during the term of this Agreement, this Agreement shall terminate as of the last day of the month of Mr. Miller's death except as set forth in subsection (b) of this Section 10.

(b) Anything to the contrary notwithstanding, the Company shall pay to Mr. Miller's beneficiary any items of reimbursement or salary owed to Mr. Miller as of the date of his death. For the purpose of the preceding sentence, Mr. Miller's beneficiary shall be deemed to be his surviving spouse, if any, or, if none, his estate. Payment of such amounts will be made to Mr. Miller's beneficiary as soon as practicable after the date of his death, but no later than March 15 of the following year. In addition, the Company shall file claims and take other appropriate action with respect to any life insurance policies maintained on Mr. Miller's life by the Company for which Mr. Miller had the right to designate the beneficiary.

11. Termination.

(a) Discharge for Cause. The Company recognizes that during the many years of Mr. Miller's employment by the Company, the Company has become familiar with Mr. Miller's ability, competence and judgment. The Company acknowledges, on the basis of such familiarity, that Mr. Miller's ability, competence and judgment are satisfactory to the Company. Mr. Miller is continuing his employment with the Company hereunder in reliance upon the foregoing expression of satisfaction by the Company. It is therefore agreed that "discharge for cause" shall include discharge by the Company on the following grounds only:

(i) Mr. Miller's conviction (which, through lapse of time or otherwise, is not subject to appeal) of any crime or offense involving money or other property of the Company or its subsidiaries; or

(ii) Mr. Miller's conviction (which, through lapse of time or otherwise, is not subject to appeal) of any other crime (whether or not involving the Company or its subsidiaries) which constitutes a felony in the jurisdiction involved; or

(iii) Mr. Miller's continuing repeated willful failure or refusal to perform his duties as required by this Agreement, provided that discharge pursuant to this subparagraph (iii) shall not constitute discharge for cause unless Mr. Miller shall have first received written notice from the Board apprising him of such failure and refusal and affording him an opportunity, as soon as practicable, to correct the acts or omissions complained of.

In the event that Mr. Miller shall be discharged for cause, all salary and other benefits payable by the Company under this Agreement in respect of periods after such discharge shall terminate upon such discharge, but any benefits payable to or earned by Mr. Miller with respect to any period of his employment or other service prior to such discharge shall not be terminated by reason of such discharge.

Anything in the foregoing to the contrary notwithstanding, if Mr. Miller is convicted of any crime set forth in either Section 11(a)(i) or 11(a)(ii) above, the Company may forthwith suspend Mr. Miller without any compensation and choose a new person or persons to perform his duties hereunder during the period between conviction and the time when such conviction, through lapse of time or otherwise, is no longer subject to appeal; provided, however, that if Mr. Miller's conviction is subsequently reversed (i) he shall promptly be paid all cash compensation and minimum long term incentive compensation to which he would otherwise have been entitled during the period of suspension, together with interest thereon (which interest shall be calculated at a rate per annum equal to the rate of interest payable on the date of such reversal on money judgments after entry thereof under the laws of the Commonwealth of Pennsylvania), and (ii) the Company shall have the right (exercisable within sixty (60) days after such reversal) but not the obligation to restore Mr. Miller to active service hereunder at full compensation. If the Company elects not to restore Mr. Miller to active service after reversal of a conviction, Mr. Miller shall thereafter be paid the full compensation which would otherwise have been payable during the balance of the term of Executive Chairman employment as if Mr. Miller's employment had continued, and Mr. Miller shall be entitled to obtain other employment, subject however to
(i) an obligation to perform occasional consulting services at his reasonable convenience to the Company so long as he is receiving compensation pursuant to the terms of this Agreement, (ii) the continued application of the covenants provided in Section 12 and (iii) the condition that, if Mr. Miller does obtain other employment, his total compensation therefrom (whether paid to him or deferred for his benefit) shall reduce, pro tanto, any amount which the Company would otherwise have been required to pay him pursuant to this subparagraph.

(b) Breach by Company. If Mr. Miller shall terminate his employment or other service with the Company because of a material change in the duties of his office or any other breach by the Company of its obligations hereunder, or in the event of the termination of Mr. Miller's employment by the Company without cause or otherwise in breach of this Agreement, Mr. Miller shall, except as otherwise provided herein, continue to receive all of the cash compensation and minimum long term incentive compensation provided hereunder and shall be entitled to all of the benefits otherwise provided herein, during the term of this Agreement notwithstanding such termination and Mr. Miller shall have no further obligations or duties under this Agreement. If Mr. Miller is entitled to receive payments under this subparagraph, he shall not be required to seek other employment in order to mitigate his damages hereunder; provided, however, that if Mr. Miller does obtain other employment, his total compensation therefrom, whether paid to him or deferred for his benefit, shall reduce, pro tanto, any amount which the Company would otherwise be required to pay to him pursuant to this subparagraph.

(c) Notwithstanding anything to the contrary contained herein, the Board may condition severance payments or benefits otherwise payable under this Agreement upon the execution and delivery by Mr. Miller (or Mr. Miller's beneficiary) of a general release in favor of the Company, its affiliates and their officers, directors and employees, in such form as the Board may reasonably prescribe within five days after the termination of Mr. Miller's employment, fully taking into account Mr. Miller's rights hereunder, provided, however, that no such release will be required as a condition of Mr. Miller's (or the beneficiary's) entitlement to any accrued compensation. If a release condition is imposed, then, in order to satisfy the condition, Mr. Miller must deliver an executed copy of the release to the Company and the release must become irrevocable no more than 65 days after the date his employment terminates. Payments and benefits that are conditioned upon the execution and delivery of a release will be deferred until the date the release becomes irrevocable, provided that, if the 65-day release return period ends in a subsequent calendar year, such payments and benefits will be deferred until the later of the date the release becomes irrevocable or January 2 of such subsequent calendar year. For the purposes of the foregoing, the release will be deemed to be irrevocable at the expiration of the seven day revocation period prescribed by the Age Discrimination in Employment Act of 1967, as amended, or any similar revocation period in effect on the effective date of the termination of Mr. Miller's employment.

12. Restrictive Covenants.

(a) Mr. Miller agrees that he will not during the term of this Agreement, directly or indirectly, own, manage, operate, join, control, be controlled by, or be connected in any manner with any business of the type conducted by the Company or render any service or assistance of any kind to any competitor of the Company or any of its subsidiaries; provided, however, that (i) in the event Mr. Miller terminates his employment with the Company as result of a material breach by the Company of any of its obligations hereunder or in the event the Company discharges Mr. Miller without cause, Mr. Miller shall continue to be bound by the restrictions of this Section 12 only if Mr. Miller is receiving the compensation payable to him in accordance with Section 11(b) hereof and (ii) in the event the Company discharges Mr. Miller for cause, Mr. Miller shall be bound by the restrictions of this Section for a period of one year following such discharge.

(b) During the period of his service under this Agreement and for one year thereafter, Mr. Miller will not, directly or indirectly, solicit or induce any individual who is or who, within the preceding six months, was employed by the Company or any of its affiliates to leave such employment and to become an employee of any other person, firm or entity in which Mr. Miller has an interest, financial or otherwise.

(c) During the period of his service under this Agreement and thereafter, Mr. Miller will not disparage the Company or any of its affiliates, including any of their respective officers, directors and employees, and neither the Company nor any of its affiliates and any of their respective officers, directors and employees will disparage Mr. Miller, in either case in a manner which is intended to cause damage to the business, reputation or assets of the other.

13. Binding Effect.

Except as otherwise provided for herein, this Agreement shall inure to the benefit of and be binding upon the heirs, executors, administrators, successors in interest and assigns of the parties hereto.

14. Income Tax Matters.

(a) The payment of any amount pursuant to this Agreement shall be subject to all applicable tax withholding.

(b) It is intended that any amounts payable under this Agreement will either be exempt from or comply with Section 409A of the Internal Revenue Code ("Section 409A") and the regulations thereunder so as not to subject Mr. Miller to the imposition of any tax, penalty or interest under Section 409A. This Agreement will be construed and administered accordingly. Toward that end:

(i) Any reference to Mr. Miller's termination of employment or terms of like import shall be deemed to refer to a "separation from service" (within the meaning of Section 409A and the regulations thereunder) if and to the extent such reference applies to a payment that is required to be made under this Agreement and that constitutes deferred compensation covered by Section 409A. Whenever payments under this Agreement are to be made in installments, each such installment shall be deemed to be a separate payment for purposes of Section 409A.

(ii) In the event Mr. Miller is a "specified employee" (within the meaning and for purposes of Section 409A) on the date of his termination of employment, any payment that is subject to Section 409A and that is payable to Mr. Miller in connection with the termination of his employment, shall be delayed until the date that is six months after the date of such termination of employment (or, if earlier, until the date of Mr. Miller's death), at which time Mr. Miller (or his beneficiary, as the case may be) shall receive a catch-up payment of the amounts that otherwise would have been paid in the absence of such delay.

(iii) To the extent that the reimbursement of any expenses or the provision of any in-kind benefits under this Agreement are subject to Section 409A, (A) the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided during any one calendar year shall not affect the amount of such expenses eligible for reimbursement, or in-kind benefits to be provided, in any other calendar year (provided that this clause (A) will not be violated with regard to expenses reimbursed under any arrangement covered by Section 105(b) of the Internal Revenue Code solely because such expenses are subject to a limit related to the period the arrangement is in effect); (B) reimbursement of any such expense shall be made no later than December 31 of the year following the calendar year in which such expense is incurred; and (C) the Mr. Miller's right to receive such reimbursements or in-kind benefits shall not be subject to liquidation or exchange for another benefit.

15. Recoupment.

Mr. Miller's rights with respect to any bonus award or LTIP award based upon the performance of the Company shall in all events be subject to (a) any right that the Company may have under any Company recoupment and/or forfeiture policy adopted by the Company at any time generally applicable to executive officers of the Company, and (b) any right or obligation the Company may have regarding the claw back of "incentive-based compensation" under the requirements of the Dodd-Frank Wall Street Reform and Consumer Protection Act or other applicable securities law or the listing requirements of any national securities exchange on which the Company's Shares are listed.

16. Notices.

All notices provided for herein to be given to any party shall be in writing and signed by the party giving the notice and shall be deemed to have been duly given if mailed, registered or certified mail, return receipt requested, as follows:

(i) If to Mr. Miller:
57 Crosby Brown Road
Gladwyne, Pennsylvania 19035

(ii) If to Company:

367 South Gulph Road
King of Prussia,
Pennsylvania 19406
Attention: Secretary

Either party may change the address to which notices, requests, demands and other communications hereunder shall be sent by sending written notice of such change of address to the other party.

17. Amendment, Modification and Waiver.

The terms, covenants, representations, warranties or conditions of this Agreement may be amended, modified or waived only by a written instrument executed by the parties hereto, except that a waiver need only be executed by the party waiving compliance. No waiver by any party of any condition, or of the breach of any term, covenant, representation or warranty contained in this Agreement, whether by conduct or otherwise, in anyone or more instances shall be deemed to be or construed as a waiver of any other condition or breach of any other term, covenant, representation or warranty of this Agreement.

18. Governing Law.

This Agreement shall be construed in accordance with the laws of the Commonwealth of Pennsylvania applicable to agreements made and to be performed therein.

19. Entire Agreement.

This Agreement contains the entire agreement of the parties relating to the subject matter herein contained and supersedes all prior contracts, agreements or understandings between and among the parties, except as set forth herein. Effective January 1, 2021, the Prior Agreement is superseded in its entirety by this Agreement.

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

UNIVERSAL HEALTH SERVICES, INC.

By: /s/ Steve Filton
Executive Vice President and Chief Financial Officer

/s/ Alan B. Miller

SCHEDULE A
LIST OF EXECUTIVE BENEFITS

Company aircraft – personal use is directly reimbursed to UHS.

Automobile – UHS shall provide a Company automobile equivalent to the current automobile provided to Mr. Miller. UHS pays for all maintenance and also fuel costs (not to exceed together with the personal residence maintenance expenses described below, $7,500 per annum)

Sporting and cultural event tickets. If the tickets are not used for business purposes, the tickets are made available to employees, including executive officers, for personal use.

Continuation of currently outstanding split dollar life policies as allowed by law.

Professional Income Tax Services Accounting services.

Maintenance on personal residence (not to exceed together with the automobile fuel expenses described above, $7,500 per annum).

In addition, Mr. Miller, along with other eligible employees, is entitled to retirement benefits, including the Executive Retirement Income Plan and the 401(k) Plan. Premiums for long-term disability insurance coverage are also paid by UHS for Mr. Miller and other eligible employees.