

KINDRED HEALTHCARE, INC
 Form 4
 May 31, 2005

FORM 4

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

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 LANDENWICH JOSEPH L

2. Issuer Name and Ticker or Trading Symbol
 KINDRED HEALTHCARE, INC
 [KND]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 680 SOUTH FOURTH STREET
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 05/26/2005

____ Director _____ 10% Owner
 Officer (give title below) _____ Other (specify below)
 Sr VP Corporate Legal Affairs

LOUISVILLE, KY 40202

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock	05/26/2005		M	4,800 A \$ 16	29,946 ⁽¹⁾	D	
Common Stock	05/26/2005		M	3,182 A \$ 11.03	33,128 ⁽¹⁾	D	
Common Stock	05/26/2005		S	9,060 D \$ 37.75	24,068 ⁽²⁾	D	
Common Stock	05/26/2005		S	600 D \$ 37.79	23,468	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474
(9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	Amount or Number of Shares
Employee Stock Options (Right to Buy)	\$ 16	05/26/2005		M	4,800	05/21/2002 ⁽³⁾ 05/21/2006	Common Stock	4,800
Employee Stock Options (Right to Buy)	\$ 11.03	05/26/2005		M	3,182	07/22/2004 07/22/2013	Common Stock	3,182

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
LANDENWICH JOSEPH L 680 SOUTH FOURTH STREET LOUISVILLE, KY 40202			Sr VP Corporate Legal Affairs	

Signatures

Joseph L.
Landenwich 05/31/2005

**Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

(1) This amount includes two shares held jointly with his wife.

(2) This sale includes two shares held jointly with his wife.

(3) This option is exercisable in cumulative equal annual installments over three years commencing 5/21/02.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.