KINDRED HEALTHCARE, INC

Form 4

August 14, 2006

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB Number:

3235-0287

Expires:

January 31, 2005

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Check this box if no longer subject to Section 16. Form 4 or

Form 5 obligations may continue. See Instruction

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(b).

1. Name and Address of Reporting Person * BATTAFARANO FRANK J

680 SOUTH FOURTH STREET

2. Issuer Name and Ticker or Trading

5. Relationship of Reporting Person(s) to

Issuer

Symbol

KINDRED HEALTHCARE, INC

(Check all applicable)

6. Individual or Joint/Group Filing(Check

[KND]

(Last) (First) 3. Date of Earliest Transaction (Month/Day/Year)

Director 10% Owner X_ Officer (give title Other (specify

08/10/2006

below) below) Exec VP & Pres, Hospital Div

(Middle)

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

Applicable Line) _X_ Form filed by One Reporting Person

> Form filed by More than One Reporting Person

LOUISVILLE, KY 40202

(City) (State) (Zip)

(Street)

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

1. Title of 2. Transaction Date 2A. Deemed Security (Month/Day/Year) (Instr. 3)

Execution Date, if (Month/Day/Year)

3. 4. Securities Acquired Transaction(A) or Disposed of (D) Code (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of 6. Ownership 7. Nature of Securities Form: Direct Indirect Beneficially (D) or Beneficial Owned Indirect (I) Ownership Following (Instr. 4) (Instr. 4)

(A)

Reported Transaction(s) (Instr. 3 and 4)

(D) Price

D

Common Stock

08/10/2006

F 1,905 D 30.59

Code V Amount

101,831 (1)

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

Persons who respond to the collection of SEC 1474 information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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

(9-02)

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1. Title of Derivative	2. Conversion	3. Transaction Date (Month/Day/Year)		4. Transacti	5. orNumber	6. Date Exerc Expiration D		7. Title a		8. Price of Derivative	9. Nu Deriv
Security (Instr. 3)	or Exercise Price of Derivative Security		any (Month/Day/Year)	Code (Instr. 8)	` ,			Underly Securitie (Instr. 3	ring es	Security (Instr. 5)	Secur Bene Owne Follo Repo Trans (Instr
				Code V	(A) (D)	Date Exercisable	Expiration Date	Title N	lumber		

Reporting Owners

Reporting Owner Name / Address	Relationships
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Director 10% Owner Officer Other

BATTAFARANO FRANK J 680 SOUTH FOURTH STREET LOUISVILLE, KY 40202 Exec VP & Pres, Hospital

Div

Signatures

Frank J.

Battafarano 08/14/2006

**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 reporting person also indirectly owns fifty shares of common stock held jointly with his mother.

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.

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