DIAZ PAUL J Form 4

February 07, 2011

FORM 4

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

Check this box if no longer

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF subject to **SECURITIES** Section 16. Form 4 or Form 5

obligations may continue. See Instruction 1(b).

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 * DIAZ PAUL J

2. Issuer Name and Ticker or Trading

Symbol

KINDRED HEALTHCARE, INC

[KND]

(Last) (First) (Middle)

(Street)

(State)

680 SOUTH FOURTH STREET

3. Date of Earliest Transaction

(Month/Day/Year) 02/06/2011

(Zin)

4. If Amendment, Date Original

Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to

OMB

Number:

Expires:

response...

OMB APPROVAL

Estimated average

burden hours per

3235-0287

January 31,

2005

0.5

Issuer

below)

(Check all applicable)

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

President and CEO

6. Individual or Joint/Group Filing(Check

Applicable Line)

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

LOUISVILLE, KY 40202

(City)

(City)	(State)	Tabl	e I - Non-E	Derivative (Securi	ties Acqu	iired, Disposed of	, or Beneficiall	y 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)	. 8)		of (D)	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 Indirect Beneficial Ownership (Instr. 4)
Common Stock	02/06/2011		A	51,261 (1)	(D)	\$ 0	380,355	D	
Common Stock	02/06/2011		F	22,051	D	\$ 19.22	358,304	D	

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

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

1. Title of	2.	3. Transaction Date		4.	5.	6. Date Exer		7. Title a		8. Price of	9. Nu
Derivative	Conversion	(Month/Day/Year)	Execution Date, if		onNumber	Expiration D		Amount		Derivative	Deriv
Security	or Exercise		any	Code	of	(Month/Day/	Year)	Underly	_	Security	Secui
(Instr. 3)	Price of		(Month/Day/Year)	(Instr. 8)	Derivative	e		Securitie	es	(Instr. 5)	Bene
	Derivative				Securities	S		(Instr. 3	and 4)		Own
	Security				Acquired						Follo
	,				(A) or						Repo
					Disposed						Trans
					of (D)						(Instr
					(Instr. 3,						(IIISti
					4, and 5)						
					4, and 3)						
								A	mount		
						D.	E	OI	r		
							Expiration Date	Title N	umber		
								01			
				Code V	(A) (D)				hares		

Reporting Owners

Reporting Owner Name / Address	Relationships						
	Director	10% Owner	Officer	Other			
DIAZ PAUL J 680 SOUTH FOURTH STREET LOUISVILLE, KY 40202	X		President and CEO				

Signatures

Paul J. Diaz

**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) These shares represent common stock granted to the reporting person in satisfaction of vested Performance Units.

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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