

KINDRED HEALTHCARE, INC
 Form 5/A
 April 07, 2006

FORM 5

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

OMB APPROVAL

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 Form 3 Holdings Reported Form 4 Transactions Reported

ANNUAL 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

1. Name and Address of Reporting Person *
FRANKLIN MUTUAL ADVISERS LLC

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)

3. Statement for Issuer's Fiscal Year Ended (Month/Day/Year)
 12/31/2005

____ Director
 ____ Officer (give title below)
 10% Owner
 ____ Other (specify below)

101 JOHN F. KENNEDY PARKWAY

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)
 03/03/2006

6. Individual or Joint/Group Reporting

(check applicable line)

SHORT HILLS, NJ 07078

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 at end of Issuer's Fiscal Year (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
Common Stock	05/19/2004	Â	P4(1)(2)	2,600 (A) or (D) Price \$ 48.0573 (3)	6,291,368 (4)	D	Â

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

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SEC 2270 (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 Security (Instr. 3 and 4)
Option (Right to Buy) ⁽⁵⁾	\$ 47.5 ⁽³⁾	07/17/2001	Â	J4 ⁽¹⁾⁽²⁾⁽⁶⁾	10,000 ⁽³⁾	Â 07/17/2002 ⁽⁷⁾ 07/17/2011	Common Stock 10
Option (Right to Buy) ⁽⁵⁾	\$ 52 ⁽³⁾	01/01/2002	Â	J4 ⁽¹⁾⁽²⁾⁽⁶⁾	3,000 ⁽³⁾	Â 01/01/2003 ⁽⁸⁾ 01/01/2012	Common Stock 3
Option (Right to Buy) ⁽⁵⁾	\$ 18.15 ⁽³⁾	01/01/2003	Â	J4 ⁽¹⁾⁽²⁾⁽⁶⁾	3,000 ⁽³⁾	Â 01/01/2004 ⁽⁹⁾ 01/01/2013	Common Stock 3
Option (Right to Buy) ⁽⁵⁾	\$ 51.98 ⁽³⁾	01/01/2004	Â	J4 ⁽¹⁾⁽²⁾⁽⁶⁾	3,000 ⁽³⁾	Â 01/01/2005 ⁽¹⁰⁾ 01/01/2014	Common Stock 3
Option (Right to Buy) ⁽⁵⁾	\$ 27.9	01/10/2005	Â	J4 ⁽¹⁾⁽²⁾⁽⁶⁾	5,000	Â 01/10/2006 ⁽¹¹⁾ 01/10/2015	Common Stock 5

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
FRANKLIN MUTUAL ADVISERS LLC 101 JOHN F. KENNEDY PARKWAY SHORT HILLS, NJ 07078	Â	Â X	Â	Â

Signatures

By: Bradley D. Takahashi, Vice President of Franklin Mutual Advisers, LLC

04/07/2006

**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 amendment revises the transaction code disclosures in Tables I and II and clarifies certain footnotes.

