Form 5500

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Annual Return/Report of Employee Benefit Plan

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6047(e), 6057(b), and 6058(a) of the Internal Revenue Code (the Code).

▶ **Complete all entries in accordance with the instructions to the Form 5500.**

OMB Nos. 1210-0110
1210-0089

2011

This Form is Open to Public Inspection

Part I Annual Report Identification Information

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A This return/report is for:
- [ ] a multiemployer plan;
- [X] a multiple-employer plan; or
- [ ] a single-employer plan;
- [ ] a DFE (specify) ____

B This return/report is:
- [ ] the first return/report;
- [ ] the final return/report;
- [ ] an amended return/report;
- [ ] a short plan year return/report (less than 12 months).

C If the plan is a collectively-bargained plan, check here. . . . . ▶ [ ]

D Check box if filing under:
- [X] Form 5558;
- [ ] automatic extension;
- [ ] the DFVC program;
- [ ] special extension (enter description)

Part II Basic Plan Information—enter all requested information

1a Name of plan
KINDRED 401 (K) PLAN

1b Three-digit plan number (PN) ▶ 001

1c Effective date of plan 01/01/1986

2a Plan sponsor's name and address, including room or suite number (Employer, if for single-employer plan)

KINDRED HEALTHCARE INC.

680 SOUTH FOURTH STREET
LOUISVILLE, KY 40202

2b Employer Identification Number (EIN) 61-1323993

2c Sponsor's telephone number 502-596-7300

2d Business code (see instructions) 623000

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	10/03/2012	ANDREA ROMISHER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE	Filed with authorized/valid electronic signature.	10/03/2012	ANDREA ROMISHER
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

3a Plan administrator's name and address (if same as plan sponsor, enter "Same")
KINDRED HEALTHCARE INC.

680 SOUTH FOURTH STREET
LOUISVILLE, KY 40202

3b Administrator's EIN
61-1323993

3c Administrator's telephone number
502-596-7300

4 If the name and/or EIN of the plan sponsor has changed since the last return/report filed for this plan, enter the name, EIN and the plan number from the last return/report:

a Sponsor's name

4b EIN

4c PN

5	Total number of participants at the beginning of the plan year	**5**	54151
6	Number of participants as of the end of the plan year (welfare plans complete only lines **6a, 6b, 6c,** and **6d**).		
a	Active participants	**6a**	47007
b	Retired or separated participants receiving benefits	**6b**	0
c	Other retired or separated participants entitled to future benefits	**6c**	3890
d	Subtotal. Add lines **6a**, **6b**, and **6c**	**6d**	50897
e	Deceased participants whose beneficiaries are receiving or are entitled to receive benefits	**6e**	40
f	Total. Add lines **6d** and **6e**	**6f**	50937
g	Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	**6g**	17857
h	Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	**6h**	925
7	Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	**7**	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:
2E 2F 2G 2J 2K 3H

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

9a Plan funding arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

9b Plan benefit arrangement (check all that apply)

(1)		Insurance
(2)		Code section 412(e)(3) insurance contracts
(3)	X	Trust
(4)		General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

(1)	X	**R** (Retirement Plan Information)
(2)		**MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
(3)		**SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

(1)	X	**H** (Financial Information)
(2)		**I** (Financial Information – Small Plan)
(3)		**A** (Insurance Information)
(4)	X	**C** (Service Provider Information)
(5)	X	**D** (DFE/Participating Plan Information)
(6)		**G** (Financial Transaction Schedules)

SCHEDULE C (Form 5500)	Service Provider Information	OMB No. 1210-0110
Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ **File as an attachment to Form 5500.**	**2011** **This Form is Open to Public Inspection.**

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan	**B** Three-digit plan number (PN) ▶	
KINDRED 401 (K) PLAN		001
C Plan sponsor's name as shown on line 2a of Form 5500	**D** Employer Identification Number (EIN)	
KINDRED HEALTHCARE INC.	61-1323993	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. . . . . ☐ Yes ☒ No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

FROST BROWN TODD, LLC

61-0722001

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
29 50	NONE	24298	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

IRON CAPITAL ADVISORS

27-0060315

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
27 50	NONE	11500	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

(a) Enter name and EIN or address (see instructions)

VIVID IMPACT

10116 BUNSEN WAY
LOUISVILLE, KY 40269-0098

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
36 38 50	NONE	6032	Yes [ ] No [X]	Yes [ ] No [ ]		Yes [ ] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

T ROWE PRICE

52-1714114

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 21 25 28 38 49 50 52 59 62 64 65	NONE	962	Yes [X] No [ ]	Yes [X] No [ ]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

ARTISAN PARTNERS

875 E WISCONSIN AVE
STE 800
MILWAUKEE, WI 53202

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 59	NONE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

LORD ABBETT & COMPANY

90 HUDSON ST
JERSEY CITY, NJ 07302

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 59	NONE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, $5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

PIMCO FUNDS

840 NEWPORT CENTER DR
STE 300
NEWPORT BEACH, CA 92660

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 59	NONE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

THORNBURG INVESTMENT MANAGEMENT

2300 N RIDGETOP RD
SANTA FE, NM 87506

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
28 59	NONE	0	Yes [X] No [ ]	Yes [ ] No [X]	0	Yes [X] No [ ]

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes [ ] No [ ]	Yes [ ] No [ ]		Yes [ ] No [ ]

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
T ROWE PRICE	15 21 25 28 38 49 50 52 59 62 64 65	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
ARTISAN INTERNATIONAL FUND 875 E WISCONSIN AVE STE 800 MILWAUKEE, WI 53202	SHAREHOLDER SERVICING FEE BASED ON 0.35%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
ARTISAN PARTNERS	28 59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
ARTISAN INTERNATIONAL FUND 875 E WISCONSIN AVE STE 800 MILWAUKEE, WI 53202	INVESTMENT MANAGEMENT FEE BASED ON 1.23%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
T ROWE PRICE	15 21 25 28 38 49 50 52 59 62 64 65	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
THORNBURG INTERNATIONAL VALUE, R5 2300 N RIDGETOP RD SANTA FE, NM 87506	SHAREHOLDER SERVICING FEE BASED ON 0.35%

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
THORNBURG INVESTMENT MANAGEMENT	28 59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
THORNBURG INTERNATIONAL VALUE, R5 2300 N RIDGETOP RD SANTA FE, NM 87506	INVESTMENT MANAGEMENT FEE BASED ON 1.08%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
T ROWE PRICE	15 21 25 28 38 49 50 52 59 62 64 65	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
LORD ABBETT & CO DEV GROWTH FUND 90 HUDSON ST JERSEY CITY, NJ 07302	SHAREHOLDER SERVICING FEE BASED ON 0.10%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
LORD ABBETT & COMPANY	28 59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
LORD ABBETT & CO DEV GROWTH FUND 90 HUDSON ST JERSEY CITY, NJ 07302	INVESTMENT MANAGEMENT FEE BASED ON 0.74%

Part I Service Provider Information (continued)

3 If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received $1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation
PIMCO FUNDS	28 59	0

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.
PIMCO TOTAL RETURN, INSTITUTIONAL 840 NEWPORT CENTER DR SUITE 300 NEWPORT BEACH, CA 92660	INVESTMENT MANAGEMENT FEE BASED ON 0.46%

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

(a) Enter service provider name as it appears on line 2	**(b)** Service Codes (see instructions)	**(c)** Enter amount of indirect compensation

(d) Enter name and EIN (address) of source of indirect compensation	**(e)** Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

(a) Enter name and EIN or address of service provider (see instructions)	**(b)** Nature of Service Code(s)	**(c)** Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)

(complete as many entries as needed)

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

a	Name:	**b** EIN:
c	Position:	
d	Address:	**e** Telephone:

Explanation:

SCHEDULE D (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

DFE/Participating Plan Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
KINDRED 401 (K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan or DFE sponsor's name as shown on line 2a of Form 5500
KINDRED HEALTHCARE INC.

D Employer Identification Number (EIN)
61-1323993

Part I **Information on interests in MTIAs, CCTs, PSAs, and 103-12 IEs (to be completed by plans and DFEs)**
(Complete as many entries as needed to report all interests in DFEs)

a Name of MTIA, CCT, PSA, or 103-12 IE: TRP STABLE VALUE FUND

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions)
52-1309931-001	C	97041782

a Name of MTIA, CCT, PSA, or 103-12 IE: TRP EQUITY INDEX TRUST FUND

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103 12 IE at end of year (see instructions)
52-6559833-001	C	7575720

a Name of MTIA, CCT, PSA, or 103-12 IE: TRP EQUITY INCOME TRUST

b Name of sponsor of entity listed in (a): T. ROWE PRICE TRUST COMPANY

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)
52-6559833-011	C	52139184

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103- 12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

a Name of MTIA, CCT, PSA, or 103-12 IE:

b Name of sponsor of entity listed in (a):

c EIN-PN	**d** Entity code	**e** Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions)

Part II Information on Participating Plans (to be completed by DFEs)

(Complete as many entries as needed to report all participating plans)

a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN
a Plan name	
b Name of plan sponsor	**c** EIN-PN

SCHEDULE H (Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Financial Information

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
KINDRED 401 (K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KINDRED HEALTHCARE INC.

D Employer Identification Number (EIN)
61-1323993

Part I Asset and Liability Statement

1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

Assets		(a) Beginning of Year	(b) End of Year
a Total noninterest-bearing cash	1a		
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	1712125	1662007
(2) Participant contributions	1b(2)	1663640	730333
(3) Other	1b(3)		
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
(2) U.S. Government securities	1c(2)		
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)		
(B) All other	1c(3)(B)		
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)		
(B) Common	1c(4)(B)		
(5) Partnership/joint venture interests	1c(5)		
(6) Real estate (other than employer real property)	1c(6)		
(7) Loans (other than to participants)	1c(7)		
(8) Participant loans	1c(8)		
(9) Value of interest in common/collective trusts	1c(9)	97432108	156756686
(10) Value of interest in pooled separate accounts	1c(10)		
(11) Value of interest in master trust investment accounts	1c(11)		
(12) Value of interest in 103-12 investment entities	1c(12)		
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	415579041	359747849
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)		
(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d Employer-related investments:			
(1) Employer securities	1d(1)		
(2) Employer real property	1d(2)		
e Buildings and other property used in plan operation	1e		
f Total assets (add all amounts in lines 1a through 1e)	1f	516386914	518896875
Liabilities			
g Benefit claims payable	1g		
h Operating payables	1h		
i Acquisition indebtedness	1i		
j Other liabilities	1j		
k Total liabilities (add all amounts in lines 1g through1j)	1k	0	0
Net Assets			
l Net assets (subtract line 1k from line 1f)	1l	516386914	518896875

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: **(A)** Employers	2a(1)(A)	1754191	
(B) Participants	2a(1)(B)	52328240	
(C) Others (including rollovers)	2a(1)(C)	4463417	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines **2a(1)(A), (B), (C),** and line **2a(2)**	2a(3)		58545848
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)		
(B) U.S. Government securities	2b(1)(B)		
(C) Corporate debt instruments	2b(1)(C)		
(D) Loans (other than to participants)	2b(1)(D)		
(E) Participant loans	2b(1)(E)		
(F) Other	2b(1)(F)		
(G) Total interest. Add lines **2b(1)(A)** through **(F)**	2b(1)(G)		0
(2) Dividends: **(A)** Preferred stock	2b(2)(A)		
(B) Common stock	2b(2)(B)		
(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	14903652	
(D) Total dividends. Add lines **2b(2)(A)**, **(B)**, and **(C)**	2b(2)(D)		14903652
(3) Rents	2b(3)		
(4) Net gain (loss) on sale of assets: **(A)** Aggregate proceeds	2b(4)(A)		
(B) Aggregate carrying amount (see instructions)	2b(4)(B)		
(C) Subtract line **2b(4)(B)** from line **2b(4)(A)** and enter result	2b(4)(C)		0

			(a) Amount	(b) Total
2b	(5) Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)		
	(B) Other	2b(5)(B)		
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		0
	(6) Net investment gain (loss) from common/collective trusts	2b(6)		-2736415
	(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
	(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
	(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
	(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		-14044230
c	Other income	2c		
d	Total income. Add all **income** amounts in column (b) and enter total	2d		56668855
	Expenses			
e	Benefit payment and payments to provide benefits:			
	(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	54116102	
	(2) To insurance carriers for the provision of benefits	2e(2)		
	(3) Other	2e(3)		
	(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		54116102
f	Corrective distributions (see instructions)	2f		
g	Certain deemed distributions of participant loans (see instructions)	2g		
h	Interest expense	2h		
i	Administrative expenses: (1) Professional fees	2i(1)	35798	
	(2) Contract administrator fees	2i(2)		
	(3) Investment advisory and management fees	2i(3)	962	
	(4) Other	2i(4)	6032	
	(5) Total administrative expenses. Add lines 2i(1) through (4)	2i(5)		42792
j	Total expenses. Add all **expense** amounts in column (b) and enter total	2j		54158894
	Net Income and Reconciliation			
k	Net income (loss). Subtract line 2j from line 2d	2k		2509961
l	Transfers of assets:			
	(1) To this plan	2l(1)		
	(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) [ ] Unqualified **(2)** [ ] Qualified **(3)** [X] Disclaimer **(4)** [ ] Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)? [X] Yes [ ] No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: PRICEWATERHOUSECOOPERS LLP **(2)** EIN: 13-4008324

d The opinion of an independent qualified public accountant is **not attached** because:

(1) [ ] This form is filed for a CCT, PSA, or MTIA. **(2)** [ ] It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete 4j and 4l. MTIAs also do not complete 4l.

During the plan year:

		Yes	No	Amount
a	Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)	**4a**		X	
b	Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)	**4b**		X	
c	Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	**4c**		X	
d	Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	**4d**		X	
e	Was this plan covered by a fidelity bond?	**4e**	X		50000000
f	Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	**4f**		X	
g	Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4g**		X	
h	Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	**4h**		X	
i	Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	**4i**	X		
j	Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	**4j**	X		
k	Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	**4k**		X	
l	Has the plan failed to provide any benefit when due under the plan?	**4l**		X	
m	If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	**4m**		X	
n	If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	**4n**			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? If "Yes," enter the amount of any plan assets that reverted to the employer this year ☐ **Yes** ☒ **No** **Amount:**

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	**5b(2)** EIN(s)	**5b(3)** PN(s)

SCHEDULE R
(Form 5500)

Department of the Treasury
Internal Revenue Service

Department of Labor
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

Retirement Plan Information

This schedule is required to be filed under section 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500.**

OMB No. 1210-0110

2011

This Form is Open to Public Inspection.

For calendar plan year 2011 or fiscal plan year beginning 01/01/2011 and ending 12/31/2011

A Name of plan
KINDRED 401 (K) PLAN

B Three-digit plan number (PN) ▶ 001

C Plan sponsor's name as shown on line 2a of Form 5500
KINDRED HEALTHCARE INC.

D Employer Identification Number (EIN)
61-1323993

Part I Distributions

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions **1**

2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits):

EIN(s): 52-1481931

Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.

3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year. **3**

Part II Funding Information (If the plan is not subject to the minimum funding requirements of section of 412 of the Internal Revenue Code or ERISA section 302, skip this Part)

4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

If the plan is a defined benefit plan, go to line 8.

5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. **Date:** Month _____ Day _____ Year _____

If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.

6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived) **6a**

b Enter the amount contributed by the employer to the plan for this plan year **6b**

c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount) **6c**

If you completed line 6c, skip lines 8 and 9.

7 Will the minimum funding amount reported on line 6c be met by the funding deadline? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? ..... ☐ **Yes** ☐ **No** ☐ **N/A**

Part III Amendments

9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. ..... ☐ **Increase** ☐ **Decrease** ☐ **Both** ☐ **No**

Part IV ESOPs (see instructions). If this is not a plan described under Section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? ..... ☐ **Yes** ☐ **No**

11 a Does the ESOP hold any preferred stock? ..... ☐ **Yes** ☐ **No**

b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) ..... ☐ **Yes** ☐ **No**

12 Does the ESOP hold any stock that is not readily tradable on an established securities market? ..... ☐ **Yes** ☐ **No**

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify):

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

---

a Name of contributing employer

b EIN **c** Dollar amount contributed by employer

d Date collective bargaining agreement expires *(If employer contributes under more than one collective bargaining agreement, check box* ☐ *and see instructions regarding required attachment. Otherwise, enter the applicable date.)* Month _____ Day _____ Year _____

e Contribution rate information *(If more than one rate applies, check this box* ☐ *and see instructions regarding required attachment. Otherwise, complete items 13e(1) and 13e(2).)*
(1) Contribution rate (in dollars and cents) _____
(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

14 Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	**14a**	
b The plan year immediately preceding the current plan year	**14b**	
c The second preceding plan year	**14c**	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	**15a**	
b The corresponding number for the second preceding plan year	**15b**	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	**16a**	
b If item 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	**16b**	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

19 If the total number of participants is 1,000 or more, complete items (a) through (c)

a Enter the percentage of plan assets held as:
Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%

b Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more

c What duration measure was used to calculate item 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify):

Kindred 401(k) Plan
EIN #61-1323993 Plan #001

Report on Audits of Financial Statements
for the years ended December 31, 2011 and 2010

And Supplemental Schedule
as of December 31, 2011

Kindred 401(k) Plan
Report on Audits of Financial Statements
for the years ended December 31, 2011 and 2010
and Supplemental Schedule
as of December 31, 2011

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Report of Independent Auditors……. 2

Financial Statements:

Statements of Net Assets Available for Benefits,
December 31, 2011 and 2010…….. 3

Statements of Changes in Net Assets Available for Benefits
for the years ended December 31, 2011 and 2010……..……. 4

Notes to Financial Statements…….. 5

Supplemental Schedule: *

Schedule H, line 4i – Schedule of Assets (Held at End of Year),
December 31, 2011……. 16

* Other schedules required by 29 CFR 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.

pwc

Report of Independent Auditors

To the Participants and Administrator of
the Kindred 401(k) Plan:

We were engaged to audit the financial statements and supplemental schedule of the Kindred 401(k) Plan (the "Plan") at December 31, 2011 and 2010 and for the years then ended, as listed in the accompanying index. These financial statements and schedules are the responsibility of the Plan's management.

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 6, which was certified by T. Rowe Price Company, the trustee of the Plan, except for comparing such information with the related information included in the financial statements and supplemental schedule. We have been informed by the plan administrator that the trustee holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the trustee as of December 31, 2011 and 2010 and for the years then ended, that the information provided to the plan administrator by the trustee is complete and accurate.

Because of the significance of the information that we did not audit, we are unable to, and do not, express an opinion on the accompanying financial statements and supplemental schedule taken as a whole. The supplemental schedule is presented for the purpose of additional analysis and is not a required part of the financial statements but is supplementary information required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. The form and content of the information included in the financial statements and schedule, other than that derived from the information certified by the trustee, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

PricewaterhouseCoopers LLP

Louisville, Kentucky
August 3, 2012

PricewaterhouseCoopers LLP, 500 West Main Street, Ste. 1800, Louisville, KY 40202-2941
T: (502) 589 6100, F: (502) 585 7875, www.pwc.com/us

Kindred 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2011 and 2010

	2011	2010
Investments, at fair value:		
Mutual funds	$359,747,849	$415,579,041
Collective trusts	156,756,686	97,432,108
Total investments at fair value	516,504,535	513,011,149
Contributions receivable:		
Participants	730,333	1,663,640
Employer	1,662,007	1,712,125
Total contributions receivable	2,392,340	3,375,765
Net assets available for benefits at fair value	518,896,875	516,386,914
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(3,384,301)	(3,272,397)
Net assets available for benefits at contract value	$515,512,574	$513,114,517

The accompanying notes are an integral part of these financial statements.

Kindred 401(k) Plan
Statements of Changes in Net Assets Available for Benefits
for the years ended December 31, 2011 and 2010

	2011	2010
Additions to net assets attributed to:		
Investment income (loss):		
Interest and dividend income	$ 14,903,652	$ 13,863,971
Net (depreciation) appreciation in fair value of investments	(16,892,549)	47,562,920
	(1,988,897)	61,426,891
Contributions:		
Participants	52,328,240	49,868,308
Employer (net of forfeitures)	1,711,399	1,691,668
Rollovers	4,463,417	2,473,728
	58,503,056	54,033,704
Total additions	56,514,159	115,460,595
Deductions from net assets attributed to:		
Benefits paid to participants	54,116,102	53,224,558
Total deductions	54,116,102	53,224,558
Increase in net assets available for benefits	2,398,057	62,236,037
Net assets available for benefits at contract value:		
Beginning of year	513,114,517	450,878,480
End of year	$515,512,574	$513,114,517

The accompanying notes are an integral part of these financial statements.

1. Description of the Plan

The following description of the Kindred 401(k) Plan (the "Plan") provides only general information. Detailed descriptions of the Plan's benefits and provisions are contained in the Summary Plan Description which can be obtained from Kindred Healthcare, Inc. (the "Company").

General

The Plan was established January 1, 1986 and is subject to the provisions of the Employee Retirement Income Security Act of 1974 ("ERISA"). The Plan is a defined contribution plan which provides retirement and disability benefits to qualified employees of the Company. The Company is the sponsor and a committee appointed by the Company's Board of Directors is the administrator of the Plan ("Plan Administrator"). The Company appointed T. Rowe Price as the recordkeeper and trustee of the Plan (the "Trustee"). The Plan is funded with contributions from participants and the Company.

Eligibility

Employees are eligible to participate in the Plan the first of the month following or coincident with one month of service with no age requirements. Participants are eligible for employer matching contributions the first of the month following or coincident with one year of service.

Contributions

The Plan provides a savings feature allowed under Section 401(a) of the Internal Revenue Code (the "Code"). Participants can contribute through payroll deductions an amount not less than 1% or more than 30% of their compensation as defined in the Plan document, not to exceed the Code annual limitation of $16,500 for both 2011 and 2010. The Plan also allows participants age 50 and older to make catch-up contributions up to $5,500 in 2011 and 2010. The employer matching contribution was suspended in 2011 and 2010. Employer matching contributions are invested according to the participant's contribution investment elections. Catch up contributions are not eligible for employer matching contributions.

In addition to the regular employer matching contributions described above, the Company may make a supplemental matching contribution to the Plan if certain financial targets are achieved by the Company. The 2011 and 2010 supplemental matching contributions were allocated to eligible participants, as defined in the Plan document, based upon each participant's imputed regular employer matching contribution in relation to the total imputed regular employer matching contribution of all eligible participants in the respective year. Based upon its financial results in 2011 and 2010, the Company made supplemental matching contributions to the Plan of $1,800,000 and $2,000,000 for 2011 and 2010, respectively.

1. Description of the Plan, continued

Contributions, continued

The Company may also elect, as determined by its Board of Directors, to make a profit sharing contribution to the Plan. The profit sharing contribution is allocated to eligible participants, as defined in the Plan document, based upon each participant's compensation in relation to the total compensation of all eligible participants. No profit sharing contributions were made for 2011 or 2010.

The Plan accepts rollovers of pre-tax distributions in cash from most qualified retirement plans, 403(b) plans, governmental 457 plans, and Individual Retirement Accounts. Participants may take in-service withdrawals of these funds at any time.

Investment Options

The Plan offered eighteen mutual funds and three collective trusts as investment options for participants in 2011 and nineteen mutual funds and two collective trusts as investment options for participants in 2010. Participants may change their investment of existing account balances and future contributions daily. In accordance with Code section 404(c), participants are responsible for investment decisions in all accounts, including participant funded and employer funded accounts.

Participant Accounts

Each participant's account is credited with the participant's contributions, employer matching contributions (as applicable), and allocations of Plan earnings or losses. Participant accounts are also charged with an allocation of administrative expenses. Allocations are based upon participant earnings or account balances as defined in the Plan document.

Vesting

Participants are vested immediately in their contributions and earnings thereon. Vesting in employer matching contributions (as applicable) is based upon the participant's years of service with the Company. A participant becomes fully vested following four years of service. A participant vests in employer matching contributions as follows:

Participant Years of Service	Vesting Percentage
Less than one	0%
One but less than two	25%
Two but less than three	50%
Three but less than four	75%
Four or more	100%

1. Description of the Plan, continued

Vesting, continued

Forfeiture of employer matching contributions by participants who withdraw from the Plan prior to full vesting reduces future matching contributions by the employer in accordance with the Plan document. Forfeited account balances applied to reduce employer contributions in 2011 and 2010 totaled $287,875 and $150,511, respectively. Forfeited account balances not yet applied to reduce future employer contributions totaled $137,993 and $287,875 at December 31, 2011 and 2010, respectively.

Payment of Benefits

Upon termination of service due to retirement, death, or disability, a participant or participant's beneficiary may receive a lump-sum distribution equal to the vested balance of their account, or if the account balance exceeds $5,000, the participant may defer payment until April 1 following the attainment of age 70 ½. In the event of financial hardship, as defined in the Plan document, a participant may withdraw all or any part of their contributed amounts, regardless of age. Participants are limited to two hardship withdrawal distributions per calendar year.

Employees age 59 ½ or older may request an in-service withdrawal of all or any part of their contributed or vested employer contributed amounts. All profit sharing amounts are eligible for in-service withdrawal, regardless of age.

Participant loans are not permitted in accordance with the Plan document.

Expenses

Certain administrative expenses such as trustee fees are paid by the Plan and allocated to participants accounts, while the Company pays other administrative expenses. The Plan is not charged for administrative services performed by the Company.

Plan Termination

Although the Company expects to continue the Plan, it reserves the right to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. Should the Company elect to terminate the Plan, participants would become fully vested in their employer matching contribution balances.

Significant Event

In June 2011, the Company acquired the operations and employees of RehabCare Group, Inc. ("RehabCare"). Former RehabCare employees continued to participate in the RehabCare qualified 401(k) plan through December 31, 2011. The Company merged the RehabCare 401(k) plan into the Plan in January 2012.

2. Accounting Policies

Basis of Accounting

The financial statements and supplemental schedule have been prepared on the accrual basis in accordance with generally accepted accounting principles and may include amounts based upon the estimates and judgements of the Plan's management. Actual amounts may differ from those estimates.

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value. Mutual funds are stated at fair value as determined by quoted market prices, which represents the net asset value of shares held by the Plan. The Plan's interests in collective trusts are based upon the fair value of the collective trusts' units held by the Plan, which is based upon information reported by the Trustee using the audited financial statements of the collective trusts.

As described in the authoritative guidance related to reporting of fully benefit-responsive investment contracts, the investment contracts held by a defined contribution plan are required to be reported at fair value. However, contract value is the relevant measurement attribute for that portion of the net assets available for benefits of a defined contribution plan attributable to fully benefit-responsive investment contracts because contract value is the amount participants would receive if they were to initiate permitted transactions under the terms of the Plan.

The Plan invests in fully benefit-responsive investment contracts through a collective trust. Contract value for this collective trust is based upon the net asset value of the fund as reported by the Trustee. As required, the Statements of Net Assets Available for Benefits present the fair value of the investment in the collective trust as well as the adjustment from fair value to contract value related to the fully benefit-responsive investment contracts. The Statements of Changes in Net Assets Available for Benefits are prepared on a contract value basis.

At December 31, 2011 and 2010, all Plan investments were held by the Trustee.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net realized gains or losses on the sale of investments, together with unrealized appreciation or depreciation in investments, are presented as net appreciation or depreciation in fair value of investments in the accompanying Statements of Changes in Net Assets Available for Benefits.

Payment of Benefits

Benefits are recorded when paid.

2. Accounting Policies, continued

Recently Issued Accounting Requirements

In January 2010, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2011-06, Fair Value Measurements and Disclosures, adding new disclosure requirements for Levels 1 and 2, separate disclosures of purchases, sales, issuances, and settlements relating to Level 3 measurements and clarification of existing fair value disclosures. ASU No. 2011-06 was effective for periods beginning after December 15, 2009, except for the requirement to provide Level 3 activity of purchases, sales, issuances, and settlements on a gross basis, which is effective for fiscal years beginning after December 15, 2010. The Plan adopted the new guidance required in 2011. The adoption in 2011 did not materially affect the Plan's financial statements as the Plan does not hold any Level 3 investments.

In March 2011, the FASB issued ASU No. 2011-04, Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in U.S. GAAP and International Financial Reporting Standards. ASU 2011-04 was issued to provide a consistent definition of fair value and ensure that the fair value measurement and disclosure requirements are similar between U.S. GAAP and International Financial Reporting Standards. ASU 2011-04 changes certain fair value measurement principles and enhances the disclosure requirements particularly for Level 3 fair value measurements. This pronouncement is effective for reporting periods beginning on or after December 15, 2011. The Plan is currently evaluating the impact of the adoption on the financial statements.

3. Investments

The fair value of investments at December 31, 2011 and 2010 were as follows:

	2011			2010		
	# Shares or Units	Fair Value		# Shares or Units	Fair Value	
Mutual funds:						
PIMCO Total Return Fund	3,502,373	$ 38,070,795	*	3,342,520	$ 36,266,337	*
Thornburg International Value Fund	634,488	15,570,328		-	-	
Lord Abbett Developing Growth Fund	294,040	6,171,900		-	-	
Artisan International Fund	-	-		851,362	18,474,546	
T. Rowe Price:						
Mid Cap Fund	1,042,332	54,962,165	*	1,001,992	58,646,618	*
Growth Fund	812,316	25,856,033	*	827,044	26,589,474	*
Small Cap Value Fund	178,999	6,171,883		-	-	
Money Market Fund	35,224	35,224		-	-	
Balanced Fund	-	-		2,344,144	45,241,985	*
Equity Income Fund	-	-		2,351,057	55,696,547	*
Small Cap Stock Fund	-	-		353,484	12,170,446	
Retirement Fund	291,799	3,778,802		269,358	3,531,285	
Retirement Fund 2005	240,597	2,689,879		158,182	1,793,783	
Retirement Fund 2010	821,699	12,341,921		620,092	9,512,206	
Retirement Fund 2015	2,352,205	27,238,533	*	1,729,726	20,566,443	
Retirement Fund 2020	2,953,083	46,983,548	*	2,183,222	35,892,177	*
Retirement Fund 2025	2,987,179	34,591,531	*	2,030,027	24,441,527	
Retirement Fund 2030	1,966,358	32,523,557	*	1,432,743	24,757,803	
Retirement Fund 2035	1,928,955	22,491,615		1,418,175	17,344,284	
Retirement Fund 2040	1,053,433	17,455,380		844,934	14,718,746	
Retirement Fund 2045	826,523	9,116,554		643,527	7,471,350	
Retirement Fund 2050	326,787	3,022,776		201,988	1,967,364	
Retirement Fund 2055	73,898	675,425		51,518	496,120	
		359,747,849			415,579,041	
Collective trusts:						
T. Rowe Price:						
Stable Value Fund	93,657,481	97,041,782	*	87,264,859	90,537,256	*
Equity Income Trust	4,946,792	52,139,184	*	-	-	
Equity Index Trust	561,580	7,575,720		172,673	6,894,852	
		156,756,686			97,432,108	
Total investments		$516,504,535			$513,011,149	

* Represents 5% or more of the net assets available for benefits at fair value at December 31 of the respective year.

3. Investments, continued

The Plan invests in mutual funds and collective trusts, some of which are managed by the Trustee. Retirement funds are mutual funds in which the asset allocation changes over time based upon the age of the participant in relation to the targeted retirement age of the participant.

During 2011, the Plan's investments in mutual funds and collective trusts declined in fair value by $14,044,230 and $2,848,319 respectively. During 2010, the Plan's investments in mutual funds and collective trusts appreciated in fair value by $46,681,662 and $881,258, respectively.

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The authoritative guidance establishes a fair value hierarchy that requires an entity to maximize the use of observable inputs and minimize the use of unobservable inputs when measuring fair value. The guidance describes three levels of inputs that may be used to measure fair value:

Level 1 Quoted prices in active markets for identical assets or liabilities.

Level 2 Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active, and other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 Unobservable inputs that are supported by little or no market activity that are significant to the fair value of the assets or liabilities. Fair value is determined using pricing models, discounted cash flows methodologies, or similar techniques, as well as instruments for which the determination of fair value requires significant management judgment or estimation.

3. Investments, continued

The Plan's financial assets measured at fair value on a recurring basis at December 31, 2011 and 2010 are summarized below:

	December 31, 2011			
	Fair value measurements			Assets
	Level 1	Level 2	Level 3	at fair value
Assets:				
Mutual funds:				
Retirement funds	$ 212,909,521	$ -	$ -	$ 212,909,521
Mid cap fund	54,962,165	-	-	54,962,165
Bond fund	38,070,795	-	-	38,070,795
Growth fund	25,856,033	-	-	25,856,033
International fund	15,570,328	-	-	15,570,328
Small cap growth fund	6,171,900	-	-	6,171,900
Small cap value fund	6,171,883	-	-	6,171,883
Money market fund	35,224	-	-	35,224
Collective trusts:				
Stable Value Fund	-	97,041,782	-	97,041,782
Equity Income Trust	-	52,139,184	-	52,139,184
Equity Index Trust	-	7,575,720	-	7,575,720
	$ 359,747,849	$156,756,686	$ -	$516,504,535

	December 31, 2010			
	Fair value measurements			Assets
	Level 1	Level 2	Level 3	at fair value
Assets:				
Mutual funds:				
Retirement funds	$ 162,493,088	$ -	$ -	$ 162,493,088
Mid Cap fund	58,646,618	-	-	58,646,618
Equity income fund	55,696,547	-	-	55,696,547
Balanced fund	45,241,985	-	-	45,241,985
Bond fund	36,266,337	-	-	36,266,337
Growth fund	26,589,474	-	-	26,589,474
International fund	18,474,546	-	-	18,474,546
Small cap fund	12,170,446	-	-	12,170,446
Collective trusts:				
Stable Value Fund	-	90,537,256	-	90,537,256
Equity Index Trust	-	6,894,852	-	6,894,852
	$ 415,579,041	$97,432,108	$ -	$513,011,149

4. Risks and Uncertainties

The Plan provides various investment options in registered investment companies and collective trusts which invest in stocks, bonds, fixed income securities, and other investment securities. These investments are subject to various risks, including interest rate, market and credit risks. Due to the risks associated with certain investments, it is possible that changes in the value of these investments could impact participants' account balances and the amounts reported in the accompanying Statement of Net Assets Available for Benefits and Statement of Changes in Net Assets Available for Benefits.

5. Related-Party Transactions

Certain Plan investments are mutual funds and collective trusts managed by the Trustee. Transactions in these investments qualify as party-in-interest transactions. These balances totaled $456,691,512 and $458,270,266 at December 31, 2011 and 2010, respectively.

The Plan is not charged for administrative services performed by the Company. These administrative services qualify as party-in interest transactions.

6. Information Certified by the Trustee

The Plan Administrator has elected the method of annual reporting permitted by 29 CFR 2520.103-8 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee has certified that investments and investment income and loss as set forth below and included in the accompanying financial statements are complete and accurate.

	2011	2010
Investments:		
Mutual funds	$359,747,849	$415,579,041
Collective trusts	156,756,686	97,432,108
Total investments at fair value	516,504,535	513,011,149
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(3,384,301)	(3,272,397)
Total investments at contract value	$513,120,234	$509,738,752
Investment income (loss):		
Interest and dividend income	$ 14,903,652	$ 13,863,971
Net (depreciation) appreciation in fair value of investments	(16,892,549)	47,562,920
Total investment (loss) income	$ (1,988,897)	$ 61,426,891

7. Reconciliation to Form 5500

The following is a reconciliation of net assets available for benefits per the Form 5500 to the financial statements at December 31, 2011 and 2010.

	2011	2010
Net assets available for benefits at fair value per the Form 5500	$518,896,875	$516,386,914
Adjustment from fair value to contract value for fully benefit-responsive investment contracts	(3,384,301)	(3,272,397)
Net assets available for benefits at contract value per the financial statements	$515,512,574	$513,114,517

The following is a reconciliation of net (depreciation) appreciation in fair value of investments per the Form 5500 to the financial statements for the years ending December 31, 2011 and 2010.

	2011	2010
Net (depreciation) appreciation in fair value of investments per the Form 5500	($16,780,645)	$48,157,557
Adjustment from fair value to contract value for fully benefit-responsive investment contracts:		
Prior year	3,272,397	2,677,760
Current year	(3,384,301)	(3,272,397)
Net (depreciation) appreciation in fair value of investments per the financial statements	($16,892,549)	$47,562,920

8. Income Tax Status

The Plan Administrator received a favorable tax determination letter from the Internal Revenue Service dated August 13, 2009. The Plan Administrator believes the Plan, as amended, continues to qualify and operate in accordance with the applicable provisions of the Code.

8. Income Tax Status, continued

Accounting principles generally accepted in the United States of America require plan management to evaluate tax provisions taken by the Plan and recognize a tax liability or asset if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the IRS. The Plan Administrator has analyzed the tax positions taken by the Plan and has concluded that as of December 31, 2011 there are no uncertain positions taken or expected to be taken that would require recognition of a liability or asset or disclosure in the financial statements. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits in progress for any tax periods. The Plan Administrator believes it is no longer subject to income tax examinations for years prior to 2008.

9. Subsequent Events

In January 2012, the vested and unvested assets attributable to the RehabCare employees participating in the RehabCare plan totaling $162,659,570 were transferred to the Plan.

Supplemental matching contributions for 2011 totaling $1,800,000 were posted to participant accounts in June 2012.

The Plan Administrator has performed an evaluation of subsequent events through August 3, 2012, the date on which the financial statements were available for issuance. Except as described above, nothing came to the Plan Administrator's attention that was deemed necessary for disclosure.

Kindred 401(k) Plan
Plan Sponsor: Kindred Healthcare, Inc.
EIN #61-1323993 Plan #001
Schedule H, Line 4i – Schedule of Assets (Held at End of Year)
December 31, 2011

Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment Including Maturity Date, Rate of Interest, Collateral, Par or Maturity Value	# Shares or Units	Current Value
PIMCO Total Return Fund	Mutual fund	3,502,373	$ 38,070,795
Thornburg International Value Fund	Mutual fund	634,488	15,570,328
Lord Abbett Developing Growth Fund	Mutual fund	294,040	6,171,900
T. Rowe Price:			
* Mid Cap Fund	Mutual fund	1,042,332	54,962,165
* Growth Fund	Mutual fund	812,316	25,856,033
* Small Cap Value Fund	Mutual fund	178,999	6,171,883
* Money Market Fund	Money market fund	35,224	35,224
* Retirement Fund	Mutual fund	291,799	3,778,802
* Retirement Fund 2005	Mutual fund	240,597	2,689,879
* Retirement Fund 2010	Mutual fund	821,699	12,341,921
* Retirement Fund 2015	Mutual fund	2,352,205	27,238,533
* Retirement Fund 2020	Mutual fund	2,953,083	46,983,548
* Retirement Fund 2025	Mutual fund	2,987,179	34,591,531
* Retirement Fund 2030	Mutual fund	1,966,358	32,523,557
* Retirement Fund 2035	Mutual fund	1,928,955	22,491,615
* Retirement Fund 2040	Mutual fund	1,053,443	17,455,380
* Retirement Fund 2045	Mutual fund	826,523	9,116,554
* Retirement Fund 2050	Mutual fund	326,787	3,022,776
* Retirement Fund 2055	Mutual fund	73,898	675,425
* Stable Value Fund	Collective trust	93,657,481	97,041,782
* Equity Income Trust	Collective trust	4,946,792	52,139,184
* Equity Index Trust	Collective trust	561,580	7,575,720
			$516,504,535

*Party-in-interest

This information has been certified as complete and accurate by T. Rowe Price Company.

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Kindred 401 (k) Plan **EIN:** 61-1323993
Plan Sponsor's Name Kindred Healthcare Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
	PIMCO Total Return Fund	Mutual Fund	38,070,795	38,070,795
	Thornburg International Value Fund	Mutual Fund	15,570,328	15,570,328
	Lord Abbett Developing Growth	Mutual Fund	6,171,900	6,171,900
*	TRP Mid Cap Growth Fund	Mutual Fund	48,171,201	54,962,165
*	TRP Growth Fund	Mutual Fund	21,588,397	25,856,033
*	TRP Small-Cap Value Fund	Mutual Fund	6,171,883	6,171,883
*	TRP Money Market Fund	Money Market Fund	35,224	35,224

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Kindred 401 (k) Plan **EIN:** 61-1323993
Plan Sponsor's Name Kindred Healthcare Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	TRP Retirement Fund	Mutual Fund	3,579,828	3,778,802
*	TRP Retirement Fund 2005	Mutual Fund	2,538,508	2,689,879
*	TRP Retirement Fund 2010	Mutual Fund	11,761,787	12,341,921
*	TRP Retirement Fund 2015	Mutual Fund	25,693,613	27,238,533
*	TRP Retirement Fund 2020	Mutual Fund	44,242,490	46,983,548
*	TRP Retirement Fund 2025	Mutual Fund	32,520,005	34,591,531
*	TRP Retirement Fund 2030	Mutual Fund	30,737,015	32,523,557

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Kindred 401 (k) Plan **EIN:** 61-1323993
Plan Sponsor's Name Kindred Healthcare Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
*	TRP Retirement Fund 2035	Mutual Fund	21,191,032	22,491,615
*	TRP Retirement Fund 2040	Mutual Fund	16,517,583	17,455,380
*	TRP Retirement Fund 2045	Mutual Fund	8,574,877	9,116,554
*	TRP Retirement Fund 2050	Mutual Fund	2,876,896	3,022,776
*	TRP Retirement Fund 2055	Mutual Fund	645,646	675,425
*	TRP Stable Value Fund	Collective Trust	93,657,480	97,041,782
*	TRP Equity Income Trust	Collective Trust	54,816,391	52,139,184

Attachment to 2011 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Kindred 401 (k) Plan **EIN:** 61-1323993
Plan Sponsor's Name Kindred Healthcare Inc. **PN:** 001

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par, or maturity value.	(d) Cost	(e) Current value
		Collective Trust		
*	TRP Equity Index Fund		7,818,890	7,575,720

Attachment to 2011 Form 5500
Schedule H, line 4j - Schedule of Reportable Transactions

Plan Name Kindred 401 (k) Plan **EIN:** 61-1323993

Plan Sponsor's Name Kindred Healthcare Inc. **PN:** 001

(a) Identity of party involved	(b) Description of asset (include interest rate and maturity in case of a loan)	(c) Purchase price	(d) Selling price	(e) Lease rental	(f) Expense incurred with transaction	(g) Cost of asset	(h) Current value of asset on transaction date	(i) Net gain or (loss)
TRP Balanced Fund	Mutual Fund	3,413,339	0	0	0	3,413,339	3,413,339	0
TRP Balanced Fund	Mutual Fund	(45,071,786)	(47,868,061)	0	0	(45,071,786)	(47,868,061)	2,796,275
TRP Equity Income Fund	Mutual Fund	1,884,887	0	0	0	1,884,887	1,884,887	0
TRP Equity Income Fund	Mutual Fund	(55,440,950)	(59,704,606)	0	0	(55,440,950)	(59,704,606)	4,263,656
TRP Equity Income Trust, A	Common Trust	58,698,752	0	0	0	58,698,752	58,698,752	0
TRP Equity Income Trust, A	Common Trust	(3,817,919)	(3,580,539)	0	0	(3,817,919)	(3,580,539)	(237,380)