

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 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 2016 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information		
For calendar plan year 2016 or fiscal plan year beginning <u>01/01/2016</u> and ending <u>12/31/2016</u>			
A	This return/report is for:	☐ a multiemployer plan ☒ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.)	
	☐ a single-employer plan ☐ the first return/report ☒ an amended return/report	☐ a DFE (specify) _____ ☐ the final return/report ☐ a short plan year return/report (less than 12 months)	
B	This return/report is:		
C	If the plan is a collectively-bargained plan, check here.		☐
D	Check box if filing under:	☒ Form 5558 ☐ special extension (enter description)	☐ automatic extension ☐ the DFVC program

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>KINDRED 401 (K) PLAN</u>	1b	Three-digit plan number (PN) ► <u>001</u>
		1c	Effective date of plan <u>01/01/1986</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>KINDRED HEALTHCARE INC.</u> <u>680 SOUTH FOURTH ST</u> <u>LOUISVILLE, KY 40202</u>	2b	Employer Identification Number (EIN) <u>61-1323993</u>
		2c	Plan Sponsor's telephone number <u>502-596-7300</u>
		2d	Business code (see instructions) <u>623000</u>

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.	10/13/2017	ANDREA ROMISHER
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	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
Preparer's name (including firm name, if applicable) and address (include room or suite number)			Preparer's telephone number

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2016)
v. 160205

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN
	3c Administrator's telephone number
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 99420
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year.....	6a(1) 81333
a(2) Total number of active participants at the end of the plan year	6a(2) 74788
b Retired or separated participants receiving benefits.....	6b 0
c Other retired or separated participants entitled to future benefits	6c 13763
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 88551
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 65
f Total. Add lines 6d and 6e	6f 88616
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 35249
h Number of participants that terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 1223
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 Characteristics 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 Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) ☐ Insurance	(1) ☐ Insurance
(2) ☐ Code section 412(e)(3) insurance contracts	(2) ☐ Code section 412(e)(3) insurance contracts
(3) ☒ Trust	(3) ☒ Trust
(4) ☐ General assets of the sponsor	(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	b General Schedules
(1) ☒ R (Retirement Plan Information)	(1) ☒ H (Financial Information)
(2) ☐ MB (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary	(2) ☐ I (Financial Information – Small Plan)
(3) ☐ SB (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary	(3) ☐ A (Insurance Information)
	(4) ☒ C (Service Provider Information)
	(5) ☒ D (DFE/Participating Plan Information)
	(6) ☐ G (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2016 Form M-1 annual report. If the plan was not required to file the 2016 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider 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 <div style="text-align: center; font-size: 1.2em;">2016</div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

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	Service Provider Information (see instructions)
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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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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)

IRON CAPITAL ADVISORS

3355 LENOX ROAD
ATLANTA, GA 30326

(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?
16 27	NONE	75000	Yes ☐ No ☒	Yes ☐ No ☐		Yes ☐ No ☐

(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 57 59 62 64 65	NONE	210	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(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 ☒ No ☐	Yes ☐ No ☒	0	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)

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 ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

COLUMBIA WANGER ASSET MANAGEMENTLLC

04-3519872

(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 ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

OPPENHEIMER FUNDS INC

TWO WORLD FINANCE CENTER
225 LIBERTY ST 11TH FLOOR
NEW YORK, NY 10281

(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 ☒ No ☐	Yes ☐ No ☒	0	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)

BLACKROCK

40 EAST 52ND STREET
NEW YORK, NY 10022

(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 ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

DODGE AND COX

555 CALIFORNIA STREET
40TH FLOOR
SAN FRANCISCO, CA 94104

(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 ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ No ☐

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

AMERICAN BEACON ADVISORS INC

220 EAST LAS COLINAS BOULEVARD
SUITE 1200
IRVING, TX 75039

(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 ☒ No ☐	Yes ☐ No ☒	0	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)

THE VANGUARD GROUP, INC

100 VANGUARD BOULEVARD
MALVERN, PA 19355

(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 ☒ No ☐	Yes ☐ No ☒	0	Yes ☒ 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 ☐

(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	
(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 .15%	
(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	
(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 .73%	
(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	
(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 FUND BASED ON .47%	

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
COLUMBIA WANGER ASSET MANAGEMENTLLC	28 59	
(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.	
COLUMBIA ACORN INTERNATIONAL, Z 227 W MONROW ST SUITE 3000 CHICAGO, IL 60606	INVESTMENT MANAGEMENT FEE BASED ON .88%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
OPPENHEIMER FUNDS INC	28 59	
(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.	
OPPENHEIMER DEVELOPING MARKETS, Y TWO WORLD FINANCIAL CENTER 225 LIBERTY ST NEW YORK, NY 10281	INVESTMENT MANAGEMENT FEE BASED ON .86%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
BLACKROCK	28 59	
(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.	
BLACKROCK HIGH YIELD BOND 40 EAST 52ND ST NEW YORK, NY 10022	INVESTMENT MANAGEMENT FEE BASED ON .54%	

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	
(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.	
DODGE & COX 555 CALIFORNIA STREET 40TH FLOOR SAN FRANCISCO, CA 94104	SHAREHOLDER SERVICING FEE BASED ON .10%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
DODGE & COX	28 59	
(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.	
DODGE & COX INTERNATIONAL STOCK FUN 555 CALIFORNIA STREET 40TH FLOOR SAN FRANCISCO, CA 94104	INVESTMENT MANAGEMENT FEE BASED ON .64%	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
AMERICAN BEACON ADVISORS INC	28 59	
(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.	
AMERICAN BEACON SMALL CAP VAL INST 220 EAST LAS COLINAS BOULEVARD SUITE 1200 IRVING, TX 75039	INVESTMENT MANAGEMENT BASED FEE BASED ON .82%	

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
THE VANGUARD GROUP INC	28 59	
(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.	
VANGUARD INST INDEX FUND 100 VANGUARD BOULEVARD MALVERN, PA 19355	INVESTMENT MANAGEMENT FEE BASED ON .04%	
(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) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small>	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 <div style="text-align: center; font-size: 1.2em; font-weight: bold;">2016</div> This Form is Open to Public Inspection.
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

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 52-1309931-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 127221558
--	--	---

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

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

c EIN-PN 52-6559833-001	d Entity code C	e Dollar value of interest in MTIA, CCT, PSA, or 103-12 IE at end of year (see instructions) 104524242
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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)
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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)
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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)
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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)
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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)
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For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

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) 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
		2016
		This Form is Open to Public Inspection

For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016		
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
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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)		3624964
(2) Participant contributions	1b(2)	728437	1437619
(3) Other.....	1b(3)	-1630128	
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)	9296318	5203441
(9) Value of interest in common/collective trusts	1c(9)	244391244	231745800
(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)	938716333	991476565
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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	1191502204	1233488389

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 through 1j)	1k	0	0

Net Assets

l Net assets (subtract line 1k from line 1f)	1l	1191502204	1233488389
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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)	2864795	
(B) Participants	2a(1)(B)	97361854	
(C) Others (including rollovers)	2a(1)(C)	9375693	
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		109602342
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)	322338	
(F) Other	2b(1)(F)		
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		322338
(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)	36874707	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		36874707
(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
(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

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		2604607
(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)		45264936
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		194668930

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	152606093	
(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)		152606093
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)	76652	
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		76652
j Total expenses. Add all expense amounts in column (b) and enter total	2j		152682745

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		41986185
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) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

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

(1) Name: PRICEWATERHOUSE COOPERS

(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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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.).....

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.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
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			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?	4o			

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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>► File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2016</div> <div>This Form is Open to Public Inspection.</div>
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For calendar plan year 2016 or fiscal plan year beginning 01/01/2016 and ending 12/31/2016

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

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

<div>1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions</div>	<div>1</div>
<div>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):</div>	
<div>Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.</div>	
<div>3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year</div>	<div>3 6666</div>

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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<div>4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>If the plan is a defined benefit plan, go to line 8.</div>	
<div>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</div>	
<div>If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.</div>	
<div>6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)</div>	<div>6a</div>
<div>b Enter the amount contributed by the employer to the plan for this plan year</div>	<div>6b</div>
<div>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)</div>	<div>6c</div>
<div>If you completed line 6c, skip lines 8 and 9.</div>	
<div>7 Will the minimum funding amount reported on line 6c be met by the funding deadline?</div>	<div>☐ Yes ☐ No ☐ N/A</div>
<div>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?</div>	<div>☐ Yes ☐ No ☐ N/A</div>

Part III	Amendments
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<div>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.</div>	<div>☐ Increase ☐ Decrease ☐ Both ☐ No</div>
--	--

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.
---------	--

<div>10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?</div>	<div>☐ Yes ☐ No</div>
<div>11 a Does the ESOP hold any preferred stock?</div>	<div>☐ Yes ☐ No</div>
<div>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.)</div>	<div>☐ Yes ☐ No</div>
<div>12 Does the ESOP hold any stock that is not readily tradable on an established securities market?</div>	<div>☐ Yes ☐ No</div>

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Schedule R (Form 5500) 2016
v. 160205

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 lines 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 lines 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 lines 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 lines 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 lines 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 lines 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 line 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
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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 lines (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 line 19(b)? ☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____	

Part VII	IRS Compliance Questions
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20a Is the plan a 401(k) plan? If "No," skip b	☐ Yes ☐ No
20b How did the plan satisfy the nondiscrimination requirements for employee deferrals under section 401(k)(3) for the plan year? Check all that apply:	☐ Design-based safe harbor ☐ "Prior year" ADP test ☐ "Current year" ADP test ☐ N/A
21a What testing method was used to satisfy the coverage requirements under section 410(b) for the plan year? Check all that apply:	☐ Ratio percentage test ☐ Average benefit test ☐ N/A
21b Did the plan satisfy the coverage and nondiscrimination requirements of sections 410(b) and 401(a)(4) for the plan year by combining this plan with any other plan under the permissive aggregation rules?	☐ Yes ☐ No
22a If the plan is a master and prototype plan (M&P) or volume submitter plan that received a favorable IRS opinion letter or advisory letter, enter the date of the letter / / and the serial number .	
22b If the plan is an individually-designed plan that received a favorable determination letter from the IRS, enter the date of the most recent determination letter / / .	

Kindred 401(k) Plan

EIN #61-1323993 Plan #001

**Report on Audits of Financial Statements
for the years ended December 31, 2016 and
2015**

**And Supplemental Schedule
as of December 31, 2016**

Kindred 401(k) Plan

Index

Page(s)

Report of Independent Auditors 1–2

Financial Statements

Statements of Net Assets Available for Benefits
December 31, 2016 and 2015 3

Statements of Changes in Net Assets Available for Benefits
Years Ended December 31, 2016 and 2015..... 4

Notes to Financial Statements 5–13

Supplemental Schedule*

Schedule H, Line 4i, Schedule of Assets (Held at End of Year)
December 31, 2016..... 14

- * 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.



Report of Independent Auditors

To the Administrator of Kindred 401(k) Plan:

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of the Kindred 401(k) Plan (the "Plan"), which comprise the statements of net assets available for benefits as of December 31, 2016 and 2015 and the related statements of changes in net assets available for benefits for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on the financial statements based on conducting the audit in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph, however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

Basis for Disclaimer of Opinion

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 Charles Schwab Bank and T. Rowe Price Trust Company, the custodian and trustee of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that Charles Schwab Bank held certain of the Plan's investment assets and executed investment transactions as of December 31, 2015, and that T. Rowe Price Trust Company held the Plan's investment assets and executed investment transactions as of January 1, 2015 and for the period from January 1, 2015 to December 31, 2016. The plan administrator has obtained certifications from the trustee and custodian as of December 31, 2016 and 2015 and for the years then ended, that the information provided to the plan administrator by the trustee and custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on the financial statements.



Other Matter

The supplemental schedule of Assets (Held at End of Year) as of December 31, 2016 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on this supplemental schedule.

Report on Form and Content in Compliance with DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the trustee, has 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
October 13, 2017

Kindred 401(k) Plan
Statements of Net Assets Available for Benefits
December 31, 2016 and 2015

	2016	2015
Assets		
Investments at fair value		
Mutual funds	\$ 991,476,565	\$ 938,716,333
Collective trusts	231,745,800	244,313,216
Total investments, at fair value	<u>1,223,222,365</u>	<u>1,183,029,549</u>
Plan merger receivable	-	30,645
Contributions receivable from participants	1,437,619	728,437
Contributions receivable from Employer	3,624,964	-
Notes receivable from participants	<u>5,203,441</u>	<u>9,296,318</u>
Total assets	<u>1,233,488,389</u>	<u>1,193,084,949</u>
Liabilities		
Excess contributions to be refunded	-	(1,660,773)
Net assets available for benefits	<u>\$ 1,233,488,389</u>	<u>\$ 1,191,424,176</u>

The accompanying notes are an integral part of these financial statements

Kindred 401(k) Plan
Statements of Changes in Net Assets Available for Benefits
December 31, 2016 and 2015

	2016	2015
Additions to net assets attributed to		
Investment income		
Dividend income	\$ 36,874,707	\$ 43,349,177
Net appreciation (depreciation) in fair value of investments	47,947,571	(38,178,751)
	<u>84,822,278</u>	<u>5,170,426</u>
Contributions		
Participants	97,361,854	65,183,611
Employer (net of forfeitures)	2,864,795	427,874
Rollovers	9,375,693	5,406,748
Total contributions	<u>109,602,342</u>	<u>71,018,233</u>
Interest on notes receivable from participants	322,338	22,116
Total additions	<u>194,746,958</u>	<u>76,210,775</u>
Deductions from net assets attributed to		
Benefits paid to participants	152,606,093	112,621,376
Administrative expenses	76,652	117,533
Total deductions	<u>152,682,745</u>	<u>112,738,909</u>
Increase (decrease) in net assets available for benefits prior to Plan mergers	42,064,213	(36,528,134)
Plan mergers	-	332,900,061
Increase in net assets available for benefits	<u>42,064,213</u>	<u>296,371,927</u>
Net assets available for benefits		
Beginning of year	<u>1,191,424,176</u>	<u>895,052,249</u>
End of year	<u>\$ 1,233,488,389</u>	<u>\$ 1,191,424,176</u>

The accompanying notes are an integral part of these financial statements

Kindred 401(k) Plan

Notes to Financial Statements

December 31, 2016 and 2015

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" or "Employer").

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 Retirement Plan Services, Inc. as the record keeper and trustee of the Plan (the "Trustee"). The Plan Administrator, as advised by an investment manager, determines the appropriateness of the Plan's investment offerings, monitors investment performance and reports to the Company's Board of Directors. 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 50% of their compensation as defined in the Plan document, not to exceed the Code annual limitation of \$18,000 in 2016 and 2015. The Plan also allows participants age 50 and older to make catch-up contributions up to \$6,000 in 2016 and 2015. Catch-up contributions are invested according to the participant's contribution investment elections.

The Plan allows for an Employer matching contribution as approved by the Plan Administrator. Matching contributions were suspended in 2016 and 2015 except for certain employees. During 2016 an Employer matching contribution receivable of \$3,624,964, net of forfeitures, was recorded for non-highly compensated former Gentiva Health Services, Inc. employees employed prior to December 1, 2015 and remaining employed through December 31, 2016. This Employer match was based on 25% of the first 6% of eligible employee contributions and was deposited to eligible employee accounts in February 2017. Subsequent to this match, this employee group participated under the Plan's regular Employer matching contribution provision.

The Company may make supplemental matching contributions to the Plan if certain financial targets are achieved by the Company. No supplemental matching contributions were made for 2016 or 2015. The Company may also make profit sharing contributions to the Plan as determined by the Company's Board of Directors. No profit sharing contributions were made for 2016 or 2015.

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.

Kindred 401(k) Plan

Notes to Financial Statements

December 31, 2016 and 2015

Plan Mergers

In January 2015, the Company acquired the operations and employees of Centerre Healthcare Corporation ("Centerre"). Former Centerre employees continued to participate in the Centerre qualified 401(k) plan through March 31, 2015. The Company merged the Centerre 401(k) plan assets of \$15,500,467 into the Plan in April 2015.

In February 2015, the Company acquired the operations and employees of Gentiva Health Services, Inc. ("Gentiva"). Former Gentiva employees continued to participate in the Gentiva qualified 401(k) plan through December 31, 2015. The Company merged the Gentiva 401(k) plan assets of \$317,399,594 into the Plan effective December 31, 2015, which includes a reduction of \$1,660,773 for corrective distributions related to excess contributions derived as a result of non-discrimination testing. As of December 31, 2015, these assets were in the custody of Charles Schwab Bank, the "Custodian".

Investment Options

The Plan offered 23 mutual funds, a money market fund and two collective trusts as investment options for participants in 2016, and offered 23 mutual funds, a money market fund and three collective trusts as investment options for participants in 2015. 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. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

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 generally 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%

Vesting schedules for Employer contributions from merged plans may vary.

Forfeitures

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 2016 and 2015 totaled \$638,347 and \$243,557, respectively. Forfeited account balances not yet applied to reduce

Kindred 401(k) Plan

Notes to Financial Statements

December 31, 2016 and 2015

future employer contributions totaled \$0 and \$143,435 at December 31, 2016 and 2015, 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.

Notes Receivable from Participants

Although the Plan does not contain a provision that allows participants to take loans from the Plan, it does allow for repayment of loans acquired through plan mergers.

Outstanding participant loans were transferred to the Plan in 2016 and 2015 as part of plan mergers.

Principal and interest are paid through payroll deductions. The interest rate charged to participants is a fixed rate equal to the Prime Rate, as stated in the Wall Street Journal as of the day the loan is initiated, plus 1%. Outstanding loans become due and payable in full upon the loan's maturity date or for terminated participants, at the end of the calendar quarter following the calendar quarter in which the participant terminates. The loans are secured by the balance in the participant's account and bear interest rates ranging from 0.04% to 6.25% for the years ended December 31, 2016 and 2015.

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.

2. Accounting Policies

Basis of Accounting

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

Expenses

Certain Plan expenses are paid directly by the Company and are excluded from these financial statements. Fees related to the administration of notes receivable from participants are charged directly to the participant's account and are included in administrative expenses. Investment related expenses are included in net appreciation (depreciation) in fair value of investments.

Kindred 401(k) Plan

Notes to Financial Statements

December 31, 2016 and 2015

Investment Valuation and Income Recognition

The Plan's investments are stated at fair value.

The Plan's Trustee determines the Plan's valuation policies. See note 3 for discussion of fair value measurements.

At December 31, 2016 and 2015, 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.

Valuation of Notes Receivable from Participants

Notes receivable from participants are recorded at their unpaid principal plus accrued interest. Interest is recorded on the accrual basis. Related fees are recorded as administrative expenses and are expensed when they are incurred. No allowance for credit losses was recorded at December 31, 2016 or 2015. If a participant ceases to make loan repayments and the Plan Administrator deems the participant loan to be in default, the participant's note receivable balance is reduced and a benefit payment is recorded.

Recently Issued Accounting Requirements

In May 2015, the FASB issued ASU No. 2015-07, Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent). ASU No. 2015-07 removes the requirement to include all investments in the fair value hierarchy for which the fair value is measured at net asset value ("NAV") per share using the practical expedient, under Fair Value Measurements and Disclosures (Topic 820). ASU No. 2015-07 is effective for non-public business entities for annual reporting periods beginning after December 15, 2016. Management has early adopted ASU 2015-07 and has applied retrospectively. Its effect is not material to the Plan's financial statements.

In July 2015, the FASB issued ASU No. 2015-12, Plan Accounting: Defined Benefit Pension Plans (Topic 960), Defined Contribution Pension Plans (Topic 962), Health and Welfare Benefit Plans (Topic 965): (Part I) Fully Benefit-Responsive Investment Contracts, (Part II) Plan Investment Disclosures and (Part III) Measurement Date Practical Expedient (consensus of the FASB Emerging Issues Task Force). Part III is not applicable to the Plan. Part I relates to the value of fully responsive investment contracts. Although the Plan does not directly hold any fully benefit-responsive investment contracts, the guidance also clarified previous guidance in reporting of stable value funds. As a result of the clarification, the stable value funds held by the Plan at December 31, 2016 and 2015 are recorded at fair value. Part II eliminated the requirement to disclose individual investments that represent 5% or more of net assets available for benefits and the net appreciation or depreciation in fair value of investments by general type. Further, plans will disaggregate investments measured using fair value only by general type, either on the face of the financial statements or in the notes to the financial statements. Plans are exempt from the requirement to disaggregate assets by nature, characteristics and risks. Disaggregating investments that are measured using fair value by general type is consistent with the level of disaggregation provided by most trustees, custodians and insurance companies and with the

Kindred 401(k) Plan

Notes to Financial Statements

December 31, 2016 and 2015

information required in Form 5500. ASU 2015-12 is effective for fiscal years beginning after December 15, 2015. Management has adopted ASU 2015-12 and has applied retrospectively. Its effect is not material to the Plan's financial statements.

3. Fair Value Measurements

Mutual funds held by the Plan are valued at the daily closing price as reported by the fund. Mutual funds held by the Plan are open-end mutual funds that are registered with the Security and Exchange Commission (SEC). These funds are required to publish their daily net asset value (NAV) and to transact at that price. The mutual funds held by the Plan are deemed to be actively traded.

Collective trusts held by the Plan are valued at the NAV of units of a bank or a trust company collective trust. The NAV, as provided by the Trustee, is used as a practical expedient to estimate fair value. The NAV is based on the fair value of the underlying investments held by the fund less its liabilities. This practical expedient is not used when it is determined to be probable that the fund will sell the investment for an amount different than the reported NAV. Participant transactions (purchases and sales) may occur daily. If the Plan were to initiate a full redemption of the collective trust, the investment manager reserves the right to temporarily delay withdrawal from the trust in order to ensure that securities liquidations will be carried out in an orderly manner.

Fair value is defined as the 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 asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. 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.

There were no changes in valuation methodologies in the years ended December 31, 2016 and 2015.

Kindred 401(k) Plan

Notes to Financial Statements

December 31, 2016 and 2015

The Plan's financial assets measured at fair value on a recurring basis at December 31, 2016 and 2015 were as follows:

	December 31, 2016			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 991,476,565	\$ -	\$ -	\$ 991,476,565
Investments measured at net asset value using the NAV practical expedient (a)	-	-	-	231,745,800
Total investments, at fair value	\$ 991,476,565	\$ -	\$ -	\$ 1,223,222,365

	December 31, 2015			
	Level 1	Level 2	Level 3	Total
Mutual funds	\$ 938,716,333	\$ -	\$ -	\$ 938,716,333
Investments measured at net asset value using the NAV practical expedient (a)	-	-	-	244,313,216
Total investments, at fair value	\$ 938,716,333	\$ -	\$ -	\$ 1,183,029,549

- a. In accordance with Subtopic 820-10, certain investments that are measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been classified in the fair value hierarchy. The fair value amounts presented in these tables are intended to permit reconciliation of the fair value hierarchy to the line items presented in the Statement of Net Assets Available for Benefits.

Kindred 401(k) Plan

Notes to Financial Statements

December 31, 2016 and 2015

The following tables summarize investments measured at fair value based on NAV per share:

December 31, 2016:

Common Collective Trusts	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Growth Stock Trust Class B	\$ 104,524,242	no	daily	n/a
Stable Value Fund	127,221,558	no	daily	12 months
	<u>\$ 231,745,800</u>			

December 31, 2015:

Common Collective Trusts	Fair Value	Unfunded Commitments	Redemption Frequency (if currently eligible)	Redemption Notice Period
Growth Stock Trust Class B	\$ 114,342,997	no	daily	n/a
Stable Value Fund	93,057,396	no	daily	12 months
Wells Fargo Stable Value Fund CL C	36,912,823	no	daily	12 months
	<u>\$ 244,313,216</u>			

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 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 at least reasonably possible that changes in the value of these investments will impact participants' account balances and the amounts reported in the accompanying Statements of Net Assets Available for Benefits and Statements of Changes in Net Assets Available for Benefits.

5. Related-Party Transactions

The Trustee provides certain administrative services to the Plan pursuant to a Plan Recordkeeping Agreement between the Company and the Trustee. The Trustee receives revenue from mutual fund service providers for services the Trustee provides to those funds. This revenue is used to offset certain amounts owed to the Trustee for its administrative services to the Plan. Fees incurred for investment management services provided by mutual fund service providers are included in net appreciation (depreciation) in fair value of the investments.

If the revenue received by the Trustee from such mutual fund service providers exceeds the agreed amount owed, the Trustee remits the excess to the Plan's trust on a quarterly basis. Such amounts may be applied to pay Plan administrative expenses or allocated to the accounts of the participants. Trustee remittances to the Plan for excess revenue received in 2016 and 2015 totaled \$348,113 and \$324,986, respectively. The Plan or the Company may make a payment to the Trustee for administrative expenses not covered by this revenue.

Kindred 401(k) Plan
Notes to Financial Statements
December 31, 2016 and 2015

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 \$948,841,145 and \$882,994,436 at December 31, 2016 and 2015, respectively.

6. Information Certified by the Trustee and Custodian

The Plan Administrator has elected the method of annual reporting permitted by 29 CFR 2520.103-5 of the Department of Labor Rules and Regulations for Reporting and Disclosure under ERISA. Accordingly, the Trustee and Custodian have certified financial information as set forth below and included in the accompanying financial statements and supplemental schedule are complete and accurate.

	2016	2015
Investments		
Mutual Funds	\$ 991,476,565	\$ 938,716,333
Collective trust	231,745,800	244,313,216
Total investments, at fair value	<u>\$ 1,223,222,365</u>	<u>\$ 1,183,029,549</u>
Notes receivable from participants	\$ 5,203,441	\$ 9,296,318
Investment income		
Dividend income	36,874,707	43,349,177
Net appreciation (depreciation) in fair value of investments	47,947,571	(38,178,751)
Total investment income	<u>\$ 84,822,278</u>	<u>5,170,426</u>
Interest on notes receivable	\$ 322,338	\$ 22,116

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, 2016 and 2015.

	2016	2015
Net assets available for benefits per financial statements	\$ 1,233,488,389	\$ 1,191,424,176
Adjustments for investment in Stable Value collective trust	-	78,028
Net assets available for benefits per Form 5500	<u>\$ 1,233,488,389</u>	<u>\$ 1,191,502,204</u>

The following is a reconciliation of net appreciation (depreciation) in fair value of investments per the Form 5500 to the financial statements for the years ending December 31, 2016 and 2015.

Net appreciation (depreciation) in fair value of investments per financial statements	\$ 47,947,571	\$ (38,178,751)
Adjustments for investment in Stable Value collective trust		
Prior year	(78,028)	(1,429,815)
Current year	-	78,028
Net appreciation (depreciation) in fair value of investments per Form 5500	<u>\$ 47,869,543</u>	<u>\$ (39,530,538)</u>

Kindred 401(k) Plan

Notes to Financial Statements

December 31, 2016 and 2015

8. Income Tax Status

The Plan Administrator received a favorable tax determination letter from the Internal Revenue Service ("IRS") dated June 4, 2014. Although the Plan has been amended since receiving the determination letter, the Plan Administrator believes the Plan, as amended, is designed and is currently being operated in accordance with the applicable provisions of the Code.

Accounting principles generally accepted in the United States of America require plan management to evaluate tax positions taken by the Plan and recognize a tax liability 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 believes there are no uncertain positions taken or expected to be taken that would require recognition of a liability or disclosure in the financial statements at December 31, 2016 or 2015. The Plan is subject to routine audits by taxing jurisdictions, however, there are currently no audits in progress for any tax periods and the Plan Administrator believes the Plan is no longer subject to income tax examinations for years prior to 2013.

9. Subsequent Events

The Plan Administrator has performed an evaluation of subsequent events through October 13, 2017, the date on which the financial statements were available for issuance. 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, 2016

(a)	(b)	(c)	(d)	(e)
Identity of Issue, Borrower, Lessor or Similar Party	Description of Investment	Cost**	Fair Value***	
REGISTERED INVESTMENT COMPANY				
(MUTUAL FUNDS):				
Pimco Total Return Fund	Mutual Fund		\$	64,884,269
Vanguard Institutional Index Fund	Mutual Fund			69,863,437
Dodge & Cox International Stock Fund	Mutual Fund			53,503,288
American Beacon Small Capital Value	Mutual Fund			41,316,271
Lord Abbett Developing Growth Fund	Mutual Fund			22,786,767
Columbia Acorn International Y Fund	Mutual Fund			11,726,211
Blackrock High Yield Bond K Fund	Mutual Fund			6,922,978
Oppenheimer Develop Markets I Fund	Mutual Fund			3,377,999
T. Rowe Price:				
* Mid Cap Growth Fund	Mutual Fund			103,446,422
* Institutional Large Cap Value	Mutual Fund			105,729,813
* Retirement Balanced Investor	Mutual Fund			7,959,845
* Retirement Fund 2005	Mutual Fund			1,327,327
* Retirement Fund 2010	Mutual Fund			9,792,454
* Retirement Fund 2015	Mutual Fund			27,891,755
* Retirement Fund 2020	Mutual Fund			88,763,876
* Retirement Fund 2025	Mutual Fund			79,980,039
* Retirement Fund 2030	Mutual Fund			95,869,517
* Retirement Fund 2035	Mutual Fund			60,008,501
* Retirement Fund 2040	Mutual Fund			68,675,333
* Retirement Fund 2045	Mutual Fund			34,908,915
* Retirement Fund 2050	Mutual Fund			23,614,244
* Retirement Fund 2055	Mutual Fund			8,524,267
* Retirement Fund 2060	Mutual Fund			494,065
* Money Market Fund	Money Mkt			108,972
Total Mutual Funds				<u>991,476,565</u>
COMMON/COLLECTIVE TRUSTS				
* Growth Stock Trust Class B	Collective Trust			104,524,242
* Stable Value Fund	Collective Trust			127,221,558
Total Common/Collective Trusts				<u>231,745,800</u>
OTHER INVESTMENTS:				
* Notes Receivable from Participants, Interest rate: 0.04% - 6.25% maturity dates 2016 - 2030	Participants loans	\$0		<u>5,203,441</u>
Total				<u>\$1,228,425,806</u>

* Party-in-interest

** Historical cost is not required as all investments are participant-directed.

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

Multiple-Employer Plan Participating Employer Information**Plan Year Ended 12/31/2016****Kindred 401(k) Plan****EIN: 61-1323993 PN: 001**

(a) Name of Participating Employer	(b) EIN	(c) Percent of Total Contributions
Kindred Healthcare, Inc.	61-1323993	98.00%
DH/KND, LLC	46-2804504	0.03%
Fox Hill Village Partnership	04-2966363	0.08%
Greater Peoria Specialty Hospital, LLC	26-1579585	0.04%
Lancaster Rehabilitation Hospital, LLP	20-8092253	0.33%
Ledgewood Healthcare Corporation	04-2855189	0.15%
Odyssey Healthcare of South Texas, LLC	26-2529581	0.07%
Physical & Occupational Rehabilitation Therapy	06-1525494	0.52%
Rehabilitation Hospital of Wisconsin, LLC	26-2332250	0.40%
St. Luke's Rehabilitation Hospital, LLC	26-1207854	0.08%
Starr Farm Partnership	03-0304264	0.12%
Wake Forest Baptist Health Care at Home, LLC	46-2300938	0.18%

100.00%

SCHEDULE H (Form 5500) <small>Internal Revenue Service</small> <hr/> <small>Department of Labor</small> <small>Employee Benefits Security Administration</small> <hr/> <small>Pension Benefit Guaranty Corporation</small>	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.	<small>OMB No. 1210-0110</small> 2016 This Form is Open to Public Inspection
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For calendar plan year 2016 or fiscal plan year beginning _____ and ending _____					
A Name of plan	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 80%; padding: 5px;"> B Three-digit plan number (PN) ► </td> <td style="width: 20%;"></td> </tr> <tr> <td colspan="2" style="height: 20px;"></td> </tr> </table>	B Three-digit plan number (PN) ►			
B Three-digit plan number (PN) ►					
C Plan sponsor's name as shown on line 2a of Form 5500	D Employer Identification Number (EIN)				

Part I	Asset and Liability Statement
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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)		
(2) Participant contributions.....	1b(2)		
(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)		
(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)		
(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)		
(15) Other.....	1c(15)		

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(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		

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 through 1j)	1k		

Net Assets

l Net assets (subtract line 1k from line 1f)	1l		
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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)		
(B) Participants	2a(1)(B)		
(C) Others (including rollovers)	2a(1)(C)		
(2) Noncash contributions	2a(2)		
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		
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)		
(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)		
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		
(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)		
(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)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		
(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)		
c Other income.....	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)		
(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)		
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)		
(2) Contract administrator fees.....	2i(2)		
(3) Investment advisory and management fees.....	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		
j Total expenses. Add all expense amounts in column (b) and enter total	2j		

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		
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) ☐ Disclaimer (4) ☐ Adverse

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

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

(1) Name:

(2) EIN:

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 lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

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.).....

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.)

	Yes	No	Amount
4a			
4b			

	Yes	No	Amount
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			
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			
e Was this plan covered by a fidelity bond?			
4e			
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			
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			
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			
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			
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			
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			
l Has the plan failed to provide any benefit when due under the plan?			
4l			
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)			
4m			
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			
o Defined Benefit Plan or Money Purchase Pension Plan Only: Were any distributions made during the plan year to an employee who attained age 62 and had not separated from service?			
4o			

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)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year . (See instructions.)

Part V Trust Information

6a Name of trust	6b Trust's EIN
6c Name of trustee or custodian	6d Trustee's or custodian's telephone number

Attachment to 2016 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	69,795,152	64,884,269
	Dodge & Cox International Stock	Mutual Fund	53,565,262	53,503,288
	Lord Abbett Developing Growth	Mutual Fund	24,833,370	22,786,767
*	TRP Mid Cap Growth Fund	Mutual Fund	82,702,552	103,446,422
*	American Beacon Small Cap Value	Mutual Fund	33,770,618	41,316,271
*	Columbia Acorn International Y	Mutual Fund	12,139,914	11,726,211
*	TRP Prime Reserve Fund	Money Market Fund	108,972	108,972

Attachment to 2016 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 Bal Inv	Mutual Fund	7,592,809	7,959,845
*	TRP Retirement Fund 2005	Mutual Fund	1,252,585	1,327,327
*	TRP Retirement Fund 2010	Mutual Fund	9,066,736	9,792,454
*	TRP Retirement Fund 2015	Mutual Fund	25,250,243	27,891,755
*	TRP Retirement Fund 2020	Mutual Fund	79,296,111	88,763,876
*	TRP Retirement Fund 2025	Mutual Fund	71,024,246	79,980,039
*	TRP Retirement Fund 2030	Mutual Fund	84,920,098	95,869,517

Attachment to 2016 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	53,338,199	60,008,501
*	TRP Retirement Fund 2040	Mutual Fund	60,755,657	68,675,333
*	TRP Retirement Fund 2045	Mutual Fund	32,072,899	34,908,915
*	TRP Retirement Fund 2050	Mutual Fund	22,170,404	23,614,244
*	TRP Retirement Fund 2055	Mutual Fund	8,238,608	8,524,267
	Oppenheimer Develop Markets I	Mutual Fund	3,211,247	3,377,999
	TRP Institutional Large Cap Value	Mutual Fund	95,443,860	105,729,813

Attachment to 2016 Form 5500
Schedule H, line 4i - Schedule of Assets (Held at End of Year)

Plan Name Kindred 401 (k) Plan

EIN: 61-1323993

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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
	Blackrock High Yield Bond K	Mutual Fund	6,571,333	6,922,978
*	Vanguard Institutional Index	Mutual Fund	64,401,037	69,863,437
*	TRP Growth Stock Trust Class B	Collective Trust	101,778,800	104,524,242
	TRP Stable Value Fund N	GIC	127,221,558	127,221,558
	Participant Loan	Loan	0	5,203,441
*	TRP Retirement Fund 2060	Mutual Fund	489,572	494,065