

CHAPMAN RICHARD E  
Form 4  
May 02, 2007

**FORM 4**

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

OMB APPROVAL

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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
CHAPMAN RICHARD E

2. Issuer Name and Ticker or Trading Symbol  
KINDRED HEALTHCARE, INC  
[KND]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)  
680 SOUTH FOURTH STREET  
(Street)

3. Date of Earliest Transaction  
(Month/Day/Year)  
05/01/2007

\_\_\_\_ Director \_\_\_\_\_ 10% Owner  
 Officer (give title below) \_\_\_\_\_ Other (specify below)  
Exec VP & Chief Admin

LOUISVILLE, KY 40202

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	(A) or (D)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	Price		
Common Stock	05/01/2007		M		3,712	\$ 11.03	D	
Common Stock	05/01/2007		M		10,137	\$ 23.89	D	
Common Stock	05/01/2007		M		10,000	\$ 30.42	D	
Common Stock	05/01/2007		S		8,300	\$ 34.75	D	
Common Stock	05/01/2007		S		2,800	\$ 34.76	D	

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Common Stock	05/01/2007	S	1,400	D	\$ 34.77	111,982	D
Common Stock	05/01/2007	S	1,900	D	\$ 34.8	110,082	D
Common Stock	05/01/2007	S	300	D	\$ 34.81	109,782	D
Common Stock	05/01/2007	S	400	D	\$ 34.82	109,382	D
Common Stock	05/01/2007	S	1,949	D	\$ 34.83	107,433	D
Common Stock	05/01/2007	S	1,300	D	\$ 34.84	106,133	D
Common Stock	05/01/2007	S	5,500	D	\$ 35.1	100,633	D

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

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(9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Security (Instr. 3 and 4)	Amount or Number of Shares
Employee Stock Option (Right to Buy)	\$ 11.03	05/01/2007		M	3,712	07/22/2005 <sup>(1)</sup> 07/22/2013	Common Stock	3,712
Employee Stock Option (Right to Buy)	\$ 23.89	05/01/2007		M	10,137	07/26/2005 <sup>(2)</sup> 07/26/2014	Common Stock	10,137
	\$ 30.42	05/01/2007		M	10,000	12/14/2005 <sup>(3)</sup> 02/23/2015		10,000

Employee  
Stock  
Option  
(Right to  
Buy)

Common  
Stock

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
CHAPMAN RICHARD E 680 SOUTH FOURTH STREET LOUISVILLE, KY 40202			Exec VP & Chief Admin	

## Signatures

Richard E. Chapman                      05/02/2007

\*\*Signature of Reporting Person                      Date

## Explanation of Responses:

- \* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- \*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This option is exercisable in the following cumulative installments: 1,856 on 7/22/05 and 1,856 on 7/22/06.
- (2) This option is exercisable in the following cumulative installments: 5,069 on 7/26/05, 5,068 on 7/26/06 and 884 on 7/26/07.
- (3) This option is fully vested on 12/14/05.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.