KINDRED HEALTHCARE INC
Form SC 13D/A
December 22, 2003

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D. C. 20549
SCHEDULE 13D
Under the Securities Exchange Act of 1934
(Amendment No. 7)*

KINDRED HEALTHCARE, INC.

(Name of Issuer)

Common Stock, par value $0.25 per share

(Title of Class of Securities)

494580103

(CUSIP Number)

Stephen Feinberg
299 Park Avenue
22nd Floor
New York, New York 10171
(212) 421-2600

with a copy to:
Robert G. Minion, Esq.
Lowenstein Sandler PC
65 Livingston Avenue
Roseland, New Jersey 07068
(973) 597-2424

(Name, Address and Telephone Number of Person
Authorized to Receive Notices and Communications)

December 18, 2003

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box. [ ]

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Section 240.13d-7 for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

Cusip No. 494580103

1) Names of Reporting Persons. I.R.S. Identification Nos. of above persons (entities only):

Stephen Feinberg

2) Check the Appropriate Box if a Member of a Group (See Instructions):
(a) Not
(b) Applicable

3) SEC Use Only

4) Source of Funds (See Instructions): WC

5) Check if Disclosure of Legal Proceedings is Required Pursuant to Items 2(d) or 2(e): Not Applicable

6) Citizenship or Place of Organization: United States

Number of Shares Beneficially Owned by Each Reporting Person With		
	7) Sole Voting Power:	*
	8) Shared Voting Power:	*
	9) Sole Dispositive Power:	*
	10) Shared Dispositive Power:	*

11) Aggregate Amount Beneficially Owned by Each Reporting Person: 1,240,000*

12) Check if the Aggregate Amount in Row (11) Excludes Certain Shares (See Instructions): Not Applicable

13) Percent of Class Represented by Amount in Row (11): 6.9%*

14) Type of Reporting Person (See Instructions): IA, IN

* Cerberus Partners, L.P., a Delaware limited partnership ("Cerberus"), is the holder of 15,570 shares of the common stock, par value $0.25 per share (the "Shares"), of Kindred Healthcare, Inc. (the "Company"), Cerberus Institutional Partners, L.P., a Delaware limited partnership ("Institutional"), is the holder of 225,349 Shares, Cerberus International, Ltd., a corporation organized under the laws of the Bahamas ("International"), is the holder of 666,400 Shares and various other private investment funds (the "Funds") own in the aggregate 332,681 Shares. Stephen Feinberg possesses sole power to vote and direct the disposition of all securities of the Company owned by each of Cerberus, Institutional, International and the Funds. Thus, for the purposes of Reg. Section 240.13d-3, Stephen Feinberg is deemed to beneficially own 1,240,000 Shares, or 6.9% of those deemed issued and outstanding. See Item 5 of this Amendment No. 7 to Schedule 13D for further information.

Item 5. Interest in Securities of the Issuer.

Based upon the Company's Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2003, as of October 31, 2003 there were 17,923,929 Shares issued and outstanding. As of December 18, 2003, Cerberus is the holder of 15,570 Shares, Institutional is the holder of 225,349 Shares, International is the holder of 666,400 Shares and the Funds in the aggregate hold 332,681 Shares. Mr. Feinberg possesses sole power to vote and direct the disposition of all securities of the Company owned by each of Cerberus, Institutional, International and the Funds. Thus, for the purposes of Reg. Section 240.13d-3, Stephen Feinberg is deemed to beneficially own 1,240,000 Shares, or 6.9% of those deemed issued and outstanding.

The following table details the transactions effected during the sixty days prior to December 18, 2003 in Shares, or securities convertible into, exercisable for or exchangeable for Shares, by Mr. Feinberg or any other person or entity controlled by him or any person or entity for which he possesses voting or investment control over the securities thereof (each of which were effected in an ordinary brokerage transaction):

I. Cerberus

(Purchases)

NONE

(Sales)

Date	Quantity	Price
October 20, 2003	825	$39.58
December 15, 2003	400	$51.13
December 18, 2003	300	$51.00

II. Institutional

(Purchases)

NONE

(Sales)

Date	Quantity	Price
October 20, 2003	11,975	$39.58
December 15, 2003	6,350	$51.13
December 18, 2003	4,600	$51.00

III. International

(Purchases)

NONE

(Sales)

Date	Quantity	Price
October 20, 2003	35,415	$39.58
December 15, 2003	18,800	$51.13
December 18, 2003	13,400	$51.00

IV. The Funds

(Purchases)

NONE

(Sales)

Date	Quantity	Price
October 20, 2003	17,685	$39.58
December 15, 2003	9,450	$51.13
December 18, 2003	6,700	$51.00

Signature

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

December 22, 2003

/s/ Stephen Feinberg

Stephen Feinberg, in his capacity as the managing member of Cerberus Associates, L.L.C., the general partner of Cerberus Partners, L.P., and the investment manager for

Cerberus Institutional Partners, L.P., Cerberus International, Ltd. and the Funds

Attention: Intentional misstatements or omissions of fact constitute Federal criminal violations (See 18 U.S.C. 1001).