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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 22, 1997

VENCOR, INC.
(Exact name of registrant as specified in its charter)

Delaware	1-10989	61-1055020
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)

400 West Market Street
Louisville, Kentucky
(Address of principal executive offices)
40202
(Zip Code)

Registrant's telephone number, including area code: (502) 596-7300

Not Applicable
(Former name or former address, if changed since last report.)

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ITEMS 1-4. NOT APPLICABLE.

ITEM 5. OTHER INFORMATION.

On October 22, 1997, in connection with the third quarter earnings release, Vencor, Inc. (the "Company") announced that it expects fourth quarter earnings to approximate \$0.40 to \$0.45 per share. Excluding the effect of non-recurring charges, the Company reported earnings per share of \$0.51 in the fourth quarter of 1996. A copy of the press release is included as an exhibit to this filing and is incorporated herein by reference.

The above statements include forward-looking statements. The Company cautions investors that any forward-looking statements made by the Company are not guarantees of future performance. Numerous factors exist which, in some cases have affected, and in the future could cause results to differ materially from these expectations. These statements involve risks and uncertainties concerning the implementation and interpretation of the healthcare reform legislation and other factors as detailed from time to time in the Company's filings with the Securities and Exchange Commission, including its Current Report on Form 8-K dated October 21, 1997.

ITEM 6. NOT APPLICABLE.

ITEM 7. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statements of businesses acquired.

Not applicable.

(b) Pro forma financial information.

Not applicable.

(c) Exhibits.

Exhibit 99.1 Press Release dated October 22, 1997 relating to downward earnings estimate for the fourth quarter of 1997.

ITEMS 8-9. NOT APPLICABLE.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

VENCOR, INC.

Dated: October 22, 1997

By: /s/ W. Bruce Lunsford

W. Bruce Lunsford
Chairman of the Board,
President and Chief
Executive Officer

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[LOGO OF VENCOR, INC. APPEARS HERE]

Contact: W. Earl Reed, III
Executive Vice President and
Chief Financial Officer
(502) 596-7380

VENCOR REPORTS THIRD QUARTER EARNINGS
EXPECTS TO REPORT LOWER EARNINGS IN FOURTH QUARTER

LOUISVILLE, Kentucky (October 22, 1997) Vencor, Inc. (NYSE: VC) today announced higher revenues and net income for the third quarter and nine months ended September 30, 1997.

For the quarter, revenues totaled \$844.7 million, up 30% from \$650.6 million in the year-earlier period. Excluding an extraordinary charge, income from operations for the quarter totaled \$36.9 million, or \$0.52 per fully diluted share, up 10% from income from operations of \$33.6 million, or \$0.48 per fully diluted share, a year ago. For the quarter, Vencor recorded an extraordinary charge of \$346,000, or \$0.01 per share, related to the early extinguishment of debt.

For the nine months, revenues totaled \$2.30 billion, up 21% from \$1.91 billion in the year-earlier period. Excluding an extraordinary charge, income from operations for the first nine months of 1997 totaled \$107.9 million, or \$1.52 per fully diluted share, up 17% from income from operations of \$92.0 million, or \$1.30 per fully diluted share, a year ago. For the nine month period, Vencor recorded an extraordinary charge of \$4.2 million, or \$0.06 per share, related to the early extinguishment of debt.

The Company also announced today that it expects fourth quarter earnings to approximate \$0.40 to \$0.45 per share. Excluding the effect of non-recurring charges, the Company reported earnings per share of \$0.51 in the fourth quarter of 1996.

The downward revision in the earnings estimate is based primarily on management's recently completed analysis of the Balanced Budget Act of 1997 (the "Budget Act") and the expected impact of such legislation on both its business and the long-term healthcare industry in general. As the long-term industry transitions to the new Medicare prospective payment system (scheduled to be implemented on July 1, 1998), management believes that the volume of ancillary services provided per patient day to nursing center patients could decline and that sales of new contracts are likely to slow from historical levels. Accordingly, management expects that revenue growth rates in its Vencare contract services business may moderate, which could result in declining operating margins in the short term. In addition, in an effort to more rapidly execute its integrated network strategy, the Company expects to accelerate expenditures for marketing its full-service Vencare ancillary service products and implementing its clinical and financial information systems beyond previously anticipated levels. Costs associated with these actions are expected to negatively impact earnings for the remainder of this year and into 1998.

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W. Bruce Lunsford, Chief Executive Officer, commented that, "Regulatory changes in the long-term care industry are increasingly requiring providers to develop cost-effective approaches of providing quality healthcare services. To meet these changes, our full service Vencare strategy must replace the fragmented industry practices of the past. Our commitment to accelerate the integrated network and enhance the systems supporting the network confirms our belief that this strategy positions us to respond to regulatory and competitive changes in the industry, including those caused by the Budget Act. While our profitability within Vencare will be adversely impacted in the short term, I am confident that changes resulting from the Budget Act have increased our growth potential over the long term. In addition, the current environment also provides us with significant opportunities to excel in the nursing center business. As patient acuity levels in nursing centers rise and our ability to manage costs becomes more critical, I believe that our nursing center margins could show

considerable improvement."

The above statements include forward-looking statements. The Company cautions investors that any forward-looking statements made by the Company are not guarantees of future performance. Numerous factors exist which, in some cases have affected, and in the future could cause results to differ materially from these expectations. These statements involve risks and uncertainties concerning the implementation and interpretation of the healthcare reform legislation and other factors as detailed from time to time in the Company's filings with the Securities and Exchange Commission, including its Current Report on Form 8-K dated October 21, 1997.

Vencor, a long-term healthcare company with over \$3 billion in annual revenues, owns and operates a national network of hospitals, nursing centers and contract service providers in 46 states.

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VENCOR, INC.
FINANCIAL HIGHLIGHTS
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1997	1996	1997	1996
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Revenues.....	\$844,740	\$650,551	\$2,303,731	\$1,911,442
Net income:				
Income from operations.....	\$ 36,902	\$ 33,558	\$ 107,894	\$ 92,033
Extraordinary loss on debt refinancing....	(346)	-	(4,195)	-
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Net income.....	\$ 36,556	\$ 33,558	\$ 103,699	\$ 92,033
	=====	=====	=====	=====
Earnings per common share:				
Primary:				
Income from operations.....	\$ 0.52	\$ 0.48	\$ 1.52	\$ 1.30
Extraordinary loss on debt refinancing..	(0.01)	-	(0.06)	-
	-----	-----	-----	-----
Net income.....	\$ 0.51	\$ 0.48	\$ 1.46	\$ 1.30
	=====	=====	=====	=====
Fully diluted:				
Income from operations.....	\$ 0.52	\$ 0.48	\$ 1.52	\$ 1.30
Extraordinary loss on debt refinancing..	(0.01)	-	(0.06)	-
	-----	-----	-----	-----
Net income.....	\$ 0.51	\$ 0.48	\$ 1.46	\$ 1.30
	=====	=====	=====	=====
Shares used in computing earnings per common share:				
Primary.....	71,266	70,028	70,857	70,800
Fully diluted.....	71,277	70,028	71,043	70,800

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VENCOR, INC.
CONDENSED CONSOLIDATED STATEMENT OF INCOME
(IN THOUSANDS, EXCEPT PER SHARE AMOUNTS)
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	1997	1996	1997	1996
Revenues.....	\$844,740	\$650,551	\$2,303,731	\$1,911,442
Salaries, wages and benefits.....	479,962	372,524	1,326,341	1,111,547
Supplies.....	81,148	64,967	224,509	191,150
Rent.....	23,954	19,681	64,685	57,950
Other operating expenses.....	131,977	105,275	360,698	300,227
Depreciation and amortization.....	33,385	24,787	87,236	74,426
Interest expense.....	34,773	11,884	66,107	36,505
Investment income.....	(1,759)	(3,132)	(5,072)	(10,010)
	783,440	595,986	2,124,504	1,761,795
Income from operations before income taxes.....	61,300	54,565	179,227	149,647
Provision for income taxes.....	24,398	21,007	71,333	57,614
Income from operations.....	36,902	33,558	107,894	92,033
Extraordinary loss on extinguishment of debt, net of income tax benefit.....	(346)	-	(4,195)	-
Net income.....	\$ 36,556	\$ 33,558	\$ 103,699	\$ 92,033
Earnings per common share and common equivalent share:				
Primary:				
Income from operations.....	\$ 0.52	\$ 0.48	\$ 1.52	\$ 1.30
Extraordinary loss on extinguishment of debt.....	(0.01)	-	(0.06)	-
Net income.....	\$ 0.51	\$ 0.48	\$ 1.46	\$ 1.30
Fully diluted:				
Income from operations.....	\$ 0.52	\$ 0.48	\$ 1.52	\$ 1.30
Extraordinary loss on extinguishment of debt.....	(0.01)	-	(0.06)	-
Net income.....	\$ 0.51	\$ 0.48	\$ 1.46	\$ 1.30
Shares used in computing earnings per common and common equivalent share:				
Primary.....	71,266	70,028	70,857	70,800
Fully diluted.....	71,277	70,028	71,043	70,800

Note: Certain prior year amounts have been reclassified to conform with the current year presentation.