



DIVISION OF  
CORPORATION FINANCE

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

October 29, 2010

Via U.S. Mail

David W. Miles  
Res-Care, Inc.  
9901 Linn Station Road  
Louisville, Kentucky 40223

**Re: Res-Care, Inc.  
Amendment No. 2 to Schedule 14D-9  
Filed on October 25, 2010  
File No. 005-49827**

Dear Mr. Miles:

We have reviewed your filing and have the following comments.

Illustrative Present Value of Future Share Price of the Company, page 13

1. We note the disclosure you have added in response to prior comment 17. Please clarify why Goldman Sachs used a discount rate of 10% as an estimate of the company's cost of equity, and how Goldman Sachs determined that this was reasonable under the circumstances, in terms that are understandable to the average investor. A similar comment applies to the discounted cash flow analysis appearing in the following section.

Illustrative Leveraged Buyout Analysis, page 14

2. Please disclose how estimates regarding the internal rates of equity return achievable by a financial buyer contributed to a fairness determination for ResCare security holders.

David W. Miles  
Res-Care, Inc.  
October 29, 2010  
Page 2

You may contact me at (202) 551-3503 if you have any questions regarding our comments, or, if you require further assistance, you may call Peggy Kim, Special Counsel, at (202) 551-3411.

Sincerely,

David L. Orlic  
Special Counsel  
Office of Mergers & Acquisitions

cc: Via facsimile: (502) 581-1087  
Alan K. MacDonald, Esq.  
Frost Brown Todd, LLC