OMB APPROVAL EXPIRES: October 31, 1994 ESTIMATED AVERAGE BURDEN HOURS PER RESPONSE 14.90 UNITED STATES SECURITIES AND EXCHANGE COMMISSION Washington, DC 20549 SCHEDULE 13G Under the Securities Exchange Act of 1934 (Amendment No. 1) * Advocat, Inc. _ ______ (Name of Issuer) Common Stock _ ______ (Title of Class of Securities) 00758610 - -----(CUSIP NUMBER) Check the following box if a fee is being paid with this statement.[] (A fee is not required only if the filing person: (1) has a previous statement on file reporting beneficial ownership of more than five percent of the class of securities described in Item 1; and (2) has filed no amendment subsequent thereto reporting beneficial ownership of five percent or less of such class.) (See Rule 13d-7). *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 the disclosures provided in a prior cover page. The information required in 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). Page 2 of 13 Pages CUSIP NO. 00758610 13G 1. NAME OF REPORTING PERSON S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Merrill Lynch & Co., Inc. 2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing

(a) []

(b) []

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER

NONI

6. SHARED VOTING POWER

360,000

7. SOLE DISPOSITIVE POWER NONE 8. SHARED DISPOSITIVE POWER 360,000 9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 360,000 10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* 11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 6.8% 12. TYPE OF REPORTING PERSON* HC, CO *SEE INSTRUCTION BEFORE FILING OUT! Page 3 of 13 Pages CUSIP NO. 00758610 13G 1. NAME OF REPORTING PERSON S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON Merrill Lynch Group, Inc. 2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing (a) [] (b) [] 3. SEC USE ONLY 4. CITIZENSHIP OR PLACE OF ORGANIZATION Delaware NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH 5. SOLE VOTING POWER NONE 6. SHARED VOTING POWER 360,000 7. SOLE DISPOSITIVE POWER NONE: 8. SHARED DISPOSITIVE POWER 360,000 9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 360,000 10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* 11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9 6.8% 12. TYPE OF REPORTING PERSON* HC, CO *SEE INSTRUCTION BEFORE FILING OUT!

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CUSIP NO. 00758610 13G
1. NAME OF REPORTING PERSON S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Princeton Services, Inc.
2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing
(a) [] (b) []
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
5. SOLE VOTING POWER
NONE
6. SHARED VOTING POWER
360,000
7. SOLE DISPOSITIVE POWER
NONE
8. SHARED DISPOSITIVE POWER
360,000
9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
360,000
10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
6.8%
12. TYPE OF REPORTING PERSON*
HC, CO
*SEE INSTRUCTION BEFORE FILING OUT!
Page 5 of 13 Pages
CUSIP NO. 00758160 13G
1. NAME OF REPORTING PERSON S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Merrill Lynch Asset Management, L.P.
2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing
(a) [] (b) []
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Delaware
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

360,000

NONE

5. SOLE VOTING POWER

6. SHARED VOTING POWER

7. SOLE DISPOSITIVE POWER
NONE
8. SHARED DISPOSITIVE POWER
360,000
9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
360,000
10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
6.8%
12. TYPE OF REPORTING PERSON*
IA, PN
*SEE INSTRUCTION BEFORE FILING OUT!
Page 6 of 13 Pages
CUSIP NO. 00758610 13G
1. NAME OF REPORTING PERSON S.S. or I.R.S. IDENTIFICATION NO. OF ABOVE PERSON
Merrill Lynch Global Allocation Fund, Inc.
2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* Joint Filing
(a) [] (b) []
3. SEC USE ONLY
4. CITIZENSHIP OR PLACE OF ORGANIZATION
Maryland
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH
5. SOLE VOTING POWER
NONE
6. SHARED VOTING POWER
360,000
7. SOLE DISPOSITIVE POWER
NONE
8. SHARED DISPOSITIVE POWER
360,000
9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON
360,000
10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*
11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9
6.8%
12. TYPE OF REPORTING PERSON*
IV,CO
*SEE INSTRUCTION BEFORE FILING OUT!
Page 7 of 13 Pages

SCHEDULE 13G

Merrill Lynch Asset Management, L.P. Merrill Lynch Global Allocation Fund, Inc.

ITEM 2 (b) Address of Principal Business Office or, if none, Residence:

Merrill Lynch & Co., Inc. World Financial Center, North Tower 250 Vesey Street New York, New York 10281

Princeton Services, Inc.

Merrill Lynch Group, Inc. World Financial Center, North Tower 250 Vesey Street New York, New York 10281

Princeton Services, Inc. 800 Scudders Mill Road Plainsboro, New Jersey 08536

Merrill Lynch Asset Management, L.P. 800 Scudders Mill Road Plainsboro, New Jersey 08536

Merrill Lynch Global Allocation Fund, Inc. 800 Scudders Mill Road Plainsboro, New Jersey 08536

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ITEM 2 (c) Citizenship:

See Item 4 of Cover Pages

ITEM 2 (d) Title of Class of Securities:

Common Stock

ITEM 2 (e) CUSIP NUMBER:

00758610

ITEM 3

Merrill Lynch & Co., Inc. ("ML&Co."), Merrill Lynch Group, Inc. ("ML Group") and Princeton Services, Inc. ("PSI") are parent holding companies, in accordance with (S) 240.13d-1(b) (ii) (G). Merrill Lynch Asset Management, L.P. (d/b/a) Merrill Lynch Asset Management ("MLAM") is an investment adviser registered under (S) 203 of the Investment Advisers Act of 1940. Merrill Lynch Global Allocation Fund, Inc. (the "Fund") is an investment company registered under Section 8 of the Investment Company Act of 1940.

ITEM 4 Ownership

(a) Amount Beneficially Owned:

See Item 9 of Cover Pages. Pursuant to (S) 240.13d-4, ML&Co., ML Group, PSI, MLAM and the Fund (the "Reporting Persons") disclaim beneficial ownership

of the securities of Advocat, Inc. (the "Company") referred to herein, and the filing of this Schedule 13G shall not be construed as an admission that the Reporting Persons are, for the purposes of Section 13(d) or 13(g) of the Securities Exchange Act of 1934, the beneficial owner of any securities of the Company covered by this statement.

(b) Percent of Class:

See Item 11 of Cover Pages

- (c) Number of shares as to which such person has:
 - (i) sole power to vote or to direct the vote:
 See Item 5 of Cover Pages
 - (ii) shared power to vote or to direct the vote:

See Item 6 of the Cover Pages

(iii) sole power to dispose of or to direct the disposition of:

See Item 7 of Cover Pages

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ITEM 5 Ownership of Five Percent or Less of a Class.

Not Applicable

ITEM 6 Ownership of More than Five Percent on Behalf of Another Person.

MLAM is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940 and acts as an investment adviser to investment companies registered under Section 8 of the Investment Company Act of 1940. With respect to securities held by those investment commpanies, several persons have the right to receive, or the power to direct the receipt of dividends from, or the proceeds from the sale of, such securities. Merrill Lynch Global Allocation Fund, Inc., a reporting person on this Schedule 13G for which MLAM serves as investment adviser, has an interest that relates to more than 5% of the class of securities reported herein. No other person has an interest that relates to more than 5% of the class of securities reported herein.

See Exhibit A

ITEM 8 Identification and Classification of Members of the Group.

Not Applicable

Page 10 of 13 Pages

ITEM 9 Notice of Dissolution of Group.

Not Applicable

ITEM 10 Certification

By signing below each of the undersigned certifies that, to the best of their knowledge and belief, the securities referred to above were acquired in the ordinary course of business and were not acquired for the purpose of and do not have the effect of changing or influencing the control of the issuer of such securities and were not acquired in connection with or as a participant in any transaction having such purpose or effect.

Signature.

- -----

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

Date: , 1996

Merrill Lynch & Co, Inc.

/s/ Richard B. Alsop

- -----

Name: Richard B. Alsop
Title: Attorney-In-Fact*

Merrill Lynch Group, Inc.

/s/ Richard B. Alsop

- -----

Name: Richard B. Alsop
Title: Attorney-In-Fact**

Princeton Services, Inc.

/s/ Richard B. Alsop

- -----

Name: Richard B. Alsop
Title: Attorney-In-Fact***

- -----

- * Signed pursuant to a power of attorney, dated November 17, 1995, included as Exhibit B to this Schedule 13G.
- ** Signed pursuant to a power of attorney, dated November 17, 1995, included as Exhibit C to this Schedule 13G.
- *** Signed pursuant to a power of attorney, dated November 30, 1995, included as Exhibit D to this Schedule 13G.

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Merrill Lynch Asset Management, L.P. By: Princeton Services, Inc. (General Partner)

/s/ Richard B. Alsop

- -----Name: Richard B. Alsop Title Attorney-In-Fact****

Merrill Lynch Global Allocation Fund, Inc.

/s/ Richard B. Alsop

- -----

Name: Richard B. Alsop
Title: Attorney-In-Fact*****

- **** Signed pursuant to a power of attorney, dated November 30, 1995, included as Exhibit E to this Schedule 13G.
- ***** Signed pursuant to a power of attorney, dated November 22, 1995, included as Exhibit F to this Schedule 13G.

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ITEM 7 DISCLOSURE RESPECTING SUBSIDIARIES

Three of the persons filing this report, Merrill Lynch & Co., Inc., a Delaware corporation with its principal place of business at World Financial Center, North Tower, 250 Vesey Street, New York, New York ("ML&Co."), Merrill Lynch Group, Inc., a Delaware corporation with its principal place of business at World Financial Center, North Tower, 250 Vesey Street, New York, New York ("ML Group"), and Princeton Services, Inc. a Delaware corporation with its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey, ("PSI") are parent holding companies pursuant to (S)240 13d-1(b) (1) (ii) (G). The relevant subsidiaries of Merrill Lynch & Co., Inc. are ML Group and PSI, which is the general partner of Merrill Lynch Asset Management, L.P. (d/b/a) Merrill Lynch Asset Management ("MLAM") The relevant subsidiary of Merrill Lynch Group is PSI.

ML Group, a wholly-owned direct subsidiary of ML&Co., may be deemed to be the beneficial owner of 6.8% of the common stock of the Company by virtue of its control of its wholly-owned subsidiary, PSI.

PSI, a wholly-owned direct subsidiary of ML Group, may be deemed to be the beneficial owner of 6.8% of the common stock of the Company by virtue of its being the general partner of MLAM.

MLAM, a Delaware limited partnership with its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey, is an investment adviser registered under Section 203 of the Investment Advisers Act of 1940. MLAM may be deemed to be the beneficial owner of 6.8% of the common stock of the Company by virtue of its acting as investment adviser to certain investment compaies registered under Section 8 of the Investment Company Act of 1940.

One registered investment company advised by MLAM, Merrill Lynch Global Allocation Fund, Inc. (the "Fund"), is the beneficial owner of 6.8% of the common stock of the Company.

Pursuant to (S)240.13d-4, ML & Co., ML Group, PSI, MLAM, and the Fund disclaim beneficial ownership of the securities of the Company, and the filing of this Schedule 13G shall not be construed as an admission that any such entity is, for the purposes of Section 13(d) or 13(g) of the Securities Exchange Act of 1934, the beneficial owner of any securities of the Company.

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EXHIBIT B

POWER OF ATTORNEY

The undersigned, Merrill Lynch & Co., Inc. (the "Corporation"), a corporation duly organized under the laws of the State of Delaware, with its principal place of business at World Financial Center, North Tower, New York, New York, 10281, does hereby make, constitute and appoint Richard B. Alsop, Richard D. Kreuder, Andrea Lowenthal, Gregory T. Russo, or any other individual from time to time elected or appointed as Secretary or an Assistant Secretary of the Corporation, acting severally, each of whose address is Merrill Lynch & Co., Inc., World Financial Center, North Tower, New York, New York 10281, as its true and lawful attorneys-in-fact, for it and in its name, place and stead (i) to execute on behalf of the Corporation and cause to be filed and/or delivered, as required under Section 13(d) of the Securities Exchange Act of 1934 (the "Act") and the regulations thereunder, any number, as appropriate, of original, copies, or electronic filings of the Securities and Exchange Commission Schedule 13D or Schedule 13G Beneficial Ownership Reports (together with any amendments and joint filing agreements under Rule 13d-1(f)(1) of the Act, as may be required thereto) to be filed and/or delivered with respect to any equity security (as defined in Rule 13d-1(d) under the Act) beneficially owned by the undersigned and which must be reported by the undersigned pursuant to Section 13(d) of the Act and the regulations thereunder, (ii) to execute on behalf of the Corporation and cause to be filed and/or delivered, any number, as appropriate, of original, copies or electronic filings of any forms (including, without limitation, Securities and Exchange Commission Form 3, 4 and 5) required to be filed pursuant to Section 16(a) of the Act and the regulations thereunder, and (iii) generally to take such other actions and perform such other things necessary to effectuate the foregoing as fully in all respects as if the undersigned could do if personally present. This Power of Attorney shall remain in effect until revoked, in writing, by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this 17th day of November, 1995.

By: /s/ David H. Komansky

_ ______

Name: David H. Komansky

Title: President and Chief Operating Officer

EXHIBIT C

POWER OF ATTORNEY

The undersigned, Merrill Lynch Group, Inc. (the "Corporation"), a corporation duly organized under the laws of the State of Delaware, with its principal place of business at World Financial Center, North Tower, New York, New York, 10281, does hereby make, constitute and appoint Richard B. Alsop, Richard D. Kreuder, Andrea Lowenthal, Gregory T. Russo, or any other individual from time to time elected or appointed as Secretary or an Assistant Secretary of the Corporation, acting severally, each of whose address is Merrill Lynch & Co., Inc., World Financial Center, North Tower, New York, New York 10281, as its true and lawful attorneys-in-fact, for it and in its name, place and stead (i) to execute on behalf of the Corporation and cause to be filed and/or delivered, as required under Section 13(d) of the Securities Exchange Act of 1934 (the "Act") and the regulations thereunder, any number, as appropriate, of original, copies, or electronic filings of the Securities and Exchange Commission Schedule 13D or Schedule 13G Beneficial Ownership Reports (together with any amendments and joint filing agreements under Rule 13d-1(f)(1) of the Act, as may be required thereto) to be filed and/or delivered with respect to any equity security (as defined in Rule 13d-1(d) under the Act) beneficially owned by the undersigned and which must be reported by the undersigned pursuant to Section 13(d) of the Act and the regulations thereunder, (ii) to execute on behalf of the Corporation and cause to be filed and/or delivered, any number, as appropriate, of original, copies or electronic filings of any forms (including, without limitation, Securities and Exchange Commission Form 3, 4 and 5) required to be filed pursuant to Section 16(a) of the Act and the regulations thereunder, and (iii) generally to take such other actions and perform such other things necessary to effectuate the foregoing as fully in all respects as if the undersigned could do if personally present. This Power of Attorney shall remain in effect until revoked, in writing, by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this 17th day of November, 1995.

MERRILL LYNCH GROUP, INC.

By: /s/ Rosemary T. Berkery

Name: Rosemary T. Berkery

Title: Vice President and Director

EXHIBIT D

POWER OF ATTORNEY

The undersigned, Princeton Services Inc., a corporation duly organized under the laws of the State of Delaware, with its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey 08536 does hereby make, constitute and appoint Richard B. Alsop, Andrea Lowenthal, Richard D. Kreuder, Gregory T. Russo, or Dauna R. Williams, acting severally, each of whose address is Merrill Lynch & Co., Inc., World Financial Center, North Tower, New York, New York 10281, as its true and lawful attorneys-in-fact, for it and in its name, place and stead to execute and cause to be filed and/or delivered, as required under Section 13(d) of the Securities Exchange Act of 1934 (the "Act") and the regulations thereunder, any number, as appropriate, of original, copies, or electronic filings of the Securities and Exchange Commission Schedule 13D or Schedule 13G Beneficial Ownership Reports (together with any amendments and joint filing agreements under Rule 13d-1(f) (1) of the Act, as may be required thereto) to be filed and/or delivered with respect to any equity security (as defined in Rule 13d-1(d) under the Act) beneficially owned by the undersigned and which must be reported by the undersigned pursuant to Section 13(d) of the Act and the regulations thereunder, and generally to take such other actions and perform such other things necessary to effectuate the foregoing as fully in all respects as if the undersigned could do if personally present. This Power of Attorney shall remain in effect until revoked, in writing, by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this 30th day of November, 1995.

PRINCETON SERVICES INC.

By: /s/ Philip L. Kirstein

- -----

Name: Philip L. Kirstein

Title: Director, Senior Vice President Secretary and General Counsel

EXHIBIT E

POWER OF ATTORNEY

The undersigned, Merrill Lynch Asset Management, L.P. d/b/a Merrill Lynch Asset Management, a Limited Partnership duly organized under the laws of the State of Delaware, with its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey 08536 does hereby make, constitute and appoint Richard B. Alsop, Andrea Lowenthal, Richard D. Kreuder, Gregory T. Russo, or Dauna R. Williams, acting severally, each of whose address is Merrill Lynch & Co., Inc., World Financial Center, North Tower, New York, New York 10281, as its true and lawful attorneys-in-fact, for it and in its name, place and stead to execute and cause to be filed and/or delivered, as required under Section 13(d) of the Securities Exchange Act of 1934 (the "Act") and the regulations thereunder, any number, as appropriate, of original, copies, or electronic filings of the Securities and Exchange Commission Schedule 13D or Schedule 13G Beneficial Ownership Reports (together with any amendments and joint filing agreements under Rule 13d-1(f) (1) of the Act, as may be required thereto) to be filed and/or delivered with respect to any equity security (as defined in Rule 13d-1(d) under the Act) beneficially owned by the undersigned and which must be reported by the undersigned pursuant to Section 13(d) of the Act and the regulations thereunder, and generally to take such other actions and perform such other things necessary to effectuate the foregoing as fully in all respects as if the undersigned could do if personally present. This Power of Attorney shall remain in effect until revoked, in writing, by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this $30\,\mathrm{th}$ day of November, 1995.

Merrill Lynch Asset Management, L.P. d/b/a Merrill Lynch Asset Management By: Princeton Services, Inc., General Partner

By: /s/ Philip L. Kirstein

- -----

Name: Philip L. Kirstein

Title: Director, Senior Vice President
Secretary and General Counsel

EXHIBIT F

POWER OF ATTORNEY

The undersigned, Merrill Lynch Global Allocation Fund, Inc., a corporation duly organized under the laws of the State of Maryland, with its principal place of business at 800 Scudders Mill Road, Plainsboro, New Jersey 08536 does hereby make, constitute and appoint Richard B. Alsop, Andrea Lowenthal, Richard D. Kreuder, Gregory T. Russo, or Dauna R. Williams, acting severally, each of whose address is Merrill Lynch & Co., Inc., World Financial Center, North Tower, New York, New York 10281, as its true and lawful attorneys-infact, for it and in its name, place and stead to execute and cause to be filed and/or delivered, as required under Section 13(d) of the Securities Exchange Act of 1934 (the "Act") and the regulations thereunder, any number, as appropriate, of original, copies, or electronic filings of the Securities and Exchange Commission Schedule 13D or Schedule 13G Beneficial Ownership Reports (together with any amendments and joint filing agreements under Rule 13d-1(f) (1) of the Act, as may be required thereto) to be filed and/or delivered with respect to any equity security (as defined in Rule 13d-1(d) under the Act) beneficially owned by the undersigned and which must be reported by the undersigned pursuant to Section 13(d) of the Act and the regulations

thereunder, and generally to take such other actions and perform such other things necessary to effectuate the foregoing as fully in all respects as if the undersigned could do if personally present. This Power of Attorney shall remain in effect until revoked, in writing, by the undersigned.

IN WITNESS WHEREOF, the undersigned has executed this Power of Attorney this 22nd day of November, 1995.

MERRILL LYNCH GLOBAL ALLOCATION FUND, INC.

By: /s/ Michael J. Hennewinkel

Name: Michael J. Hennewinkel

Title: Secretary