



Pioneer Behavioral Health Expands Executive Staff

September 14, 2004

Executive Vice President Will Support Growth in Company's Michigan Operations

PEABODY, Mass., Sept. 14 /PRNewswire-FirstCall/ -- PHC, Inc., d.b.a. Pioneer Behavioral Health (OTC Bulletin Board: PIHC), a leading provider of inpatient and outpatient behavioral health services and pharmaceutical research today announced that Alexander Nelson Luvall has joined the Company in a newly created position as Executive Vice President. Mr. Luvall, an experienced and licensed attorney, will support the Company's rapid growth in the Michigan marketplace, utilizing his extensive public sector experience and established reputation to facilitate continued growth. Mr. Luvall previously served as a consultant to the Company, and has played a major role in the Company's downtown expansion plans.

Mr. Luvall, a Detroit native, served with the Detroit Police Department, including appointments, which included tenure as Executive Secretary of the Police Commission and Second Deputy Chief. Mr. Luvall also served as Special Assistant to Detroit Mayor Coleman A. Young, and was subsequently appointed by the Probate Court as Juvenile Register for Wayne County, and by the Third Judicial Circuit Court as Executive Court Administrator and Wayne County Friend of the Court. Mr. Luvall also served as an adjunct professor at Michigan State University and Wayne State University, as an instructor at Wayne County Community College and a peer reviewer for the United States Justice Department - National Institute of Justice. In recognition of his contributions to the community, Mr. Luvall was appointed by United States Senator Carl Levin to serve on the United States Senate District Court Selection Committee, and by Michigan Governors James Blanchard and John Engler to the State of Michigan Juvenile Justice Committee, the State Community Corrections Board. Mr. Luvall has been recognized for his contributions by the United States Secret Service, the Wayne County Neighborhood Legal Services organization, the Detroit Rescue Mission and the Detroit Police Department, receiving a Chief's Citation for meritorious service.

"Alex brings substantial public sector experience, and significant relationships throughout Detroit and greater Michigan, particularly within local and state governments," commented Bruce A. Shear, Pioneer Behavioral Health's President and Chief Executive Officer. "We are confident Alex can help us leverage our expansion in the Detroit area, as well as our substantial presence in Wayne County and Michigan, to continue our rapid growth in this market."

About Pioneer Behavioral Health

Pioneer Behavioral Health's core business provides inpatient and outpatient behavioral healthcare services. The company contracts with national insurance companies, major transportation and gaming companies to provide behavioral health services. Pioneer also owns and operates Wellplace.com, a leading Internet-based provider of behavioral health services to consumers and professionals, and Pivotal Research Centers, Inc. a Nationally recognized clinical research company. For more information, please visit our web site at www.phc-inc.com or www.haydenir.com.

This press release may include forward-looking statements that are subject to risks and uncertainties. Forward-looking statements include information about possible or assumed future results of the operations or the performance of the company and its future plans and objectives. Various future events or factors may cause the actual results to vary materially from those expressed in any forward-looking statements made in this press release. These factors and risks are discussed in the company's annual report on Form 10-KSB for the years ended June 30, 2003 and 2002, copies of which were filed with the Securities and Exchange Commission, and in our quarterly reports on Form 10-Q filed with the Securities and Exchange Commission since October 2003.

For further information please contact Bruce A. Shear of PHC, Inc., +1-978-536-2777; or Investor Relations, Matthew Hayden of Hayden Communications, Inc., +1-858-456-4533, for PHC, Inc.

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