



PHC, Inc. Announces 20-Bed Expansion at Detroit Medical Center Site

October 31, 2005

Unit to serve minor females charged with crimes as an adult

PEABODY, Mass., Oct. 31 /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 it has opened a 20-bed expansion at the Detroit Medical Center after receiving final Michigan state approval.

The new unit will serve and treat adolescent females between the ages of 12 and 17, who have been adjudicated by Michigan juvenile courts as delinquents, presenting with either a severe emotional disorder (SED) or, a seriously mentally ill (SMI) diagnosis. The program's length of treatment will average six to 12 months case dependent. The program will focus intensively on resident's unresolved trauma, victimization and chemical dependency issues. The Company has received strong support for the program, which resolves a region shortfall of female adolescent treatment beds, and has begun accepting placement packets from a statewide network of referral sources.

"Providing these young women with counseling and chemical dependency assistance to help them return to a productive life is both rewarding to the Pioneer team and important to the citizens of Wayne County, Michigan," commented Bruce A. Shear, Pioneer's President and Chief Executive Officer. "This announcement also contributes to our revenue base and will contribute to our earnings for the quarter ended December 31, 2005. We continue to expand our presence at the DMC with minimal capital expenditures, with the eventual goal of operating in excess of 100 beds at this facility. We are pleased to announce this important milestone."

Mr. Shear continued, "The continued growth of this facility expands our abilities to meet the significant demand for psychiatric and chemical dependency services we are seeing in Wayne County. The location of the facility also allows our patients to remain close to their families throughout their treatment, an important factor in successful therapy. We are proud to be providing this critical service to the Wayne County area."

About Pioneer Behavioral Health

Pioneer Behavioral Health operates companies that provide inpatient and outpatient behavioral health care services, clinical research and Internet- and telephonic-based referral services. The companies contract with national insurance companies, government payors, and major transportation and gaming companies, among others, to provide such services. For more information, please visit www.phc-inc.com or www.haydenir.com.

Statement under the Private Securities Litigation Reform Act of 1995:

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. For a discussion of these factors and risks, see the company's annual report on Form 10-KSB for the most recently ended fiscal year.

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(PIHC)

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