



Pioneer Behavioral Health Plans Major New Expansion in Las Vegas, Nevada

April 22, 2008

PEABODY, MA, Apr 22, 2008 (MARKET WIRE via COMTEX News Network) -- PHC, Inc. (AMEX: PHC) d.b.a. Pioneer Behavioral Health, a leading provider of inpatient and outpatient behavioral health services and pharmaceutical research, has secured a 93,000 square foot building site for two new behavioral treatment facilities in Las Vegas.

The new site is located in the Sunset area of Las Vegas, approximately 15 miles southwest of downtown. The buildings to be constructed will join an existing medical center complex near Sunset and Post Roads, just off the I-215 freeway.

PHC plans to begin the construction of a 7,000 square foot behavioral health outpatient facility on the site in the next 90 days. The outpatient site will be operated by PHC's Harmony Healthcare subsidiary, adding to Harmony's three other locations in the Las Vegas area.

After the new outpatient site becomes operational, PHC plans to build a 45,000 square foot, three-story hospital/medical complex with approximately 100 inpatient beds. The facility is expected to have the capacity to generate more than \$25 million annually.

This new hospital/medical complex will be roughly twice the size of PHC's Seven Hills Behavioral Institute -- a 58-bed, 26,000 square foot facility that recently received its certificate of occupancy and is expected to open in two weeks. Seven Hills sits on approximately 63,000 square feet of land in Henderson, about 17 miles southeast of downtown Las Vegas.

"As I reported a few weeks ago, with Seven Hills complete and about to begin operations, we can now focus on a number of new opportunities for expansion and acquisition, both within the Las Vegas area and in other choice markets around the country," said Bruce A. Shear, Pioneer's president and CEO. "The new Sunset site offers an ideal opportunity for our expansion in Las Vegas. By securing the Sunset site southwest of the city, we have captured another area that is experiencing significant residential growth. Like Seven Hills, the project's close proximity to other nearby medical facilities also makes our location ideal."

The Sunset site is part of a medical complex that adjoins Southern Hills Hospital and Medical Center, a new medical-surgical community hospital.

PHC is a 25% partner in the real estate of the new site. It will lease the property from the partnership, which will also construct the buildings.

Both the new Sunset site and Seven Hills are located in Clark County, one of the fastest growing communities in the United States. The county's population of more than two million residents is projected to double by the year 2025. The rising population has also increased the demand for psychiatric and chemical dependency treatment. This creates a unique opportunity for Pioneer to fill a void in the market, as well as support efforts by the city of Las Vegas to make care more readily available.

Currently, many Las Vegas area patients are referred to health care facilities in other states, which usually limits the contact patients have with their families and increases the total cost of treatment. When patients are referred to local PHC facilities, they will receive treatment with their families nearby, and the referring insurance companies and payers benefit from the reduced cost of care. Having loved ones nearby also helps maintain a sense of stability by retaining daily routines and promotes better treatment outcomes.

Said Shear, "The new Sunset site also provides a perfect geographical and clinical complement to our Seven Hills and Harmony Healthcare facilities. We remain committed to bringing effective behavioral health services to populations in need and providing a valuable service to the community."

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, visit www.phc-inc.com.

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