



PHC, Inc.'s Seven Hills Behavioral Institute Receives CMS Approval

August 11, 2010

Final Procedural Hurdle Cleared; Enables Company to Accept Essentially All Potential Patients

PEABODY, Mass., Aug 11, 2010 /PRNewswire via COMTEX/ --PHC, Inc., d/b/a Pioneer Behavioral Health (NYSE Amex: PHC), a leading provider of inpatient and outpatient behavioral health services, today announced that its Seven Hills Behavioral Institute, located in Henderson, Nevada, has obtained Centers for Medicare and Medicaid services (CMS) approval and the facility can immediately accept patients enrolled in the Medicare program.

"We are pleased to achieve this important approval, as we will now be able to provide our important treatment services to a wider population of potential patients," commented Bruce A. Shear, Pioneer's President and CEO. "The census at this facility has been increasing steadily, and we continue to see consistently strong demand in the region. The recently opened 10-bed adolescent unit has added to this demand and reinforced our confidence that this facility can contribute significantly to our profitability in the near term. With this certification, the Seven Hills Behavioral Institute has the potential to add as much as five cents per year to the Company's earnings per share."

About PHC d/b/a Pioneer Behavioral Health

PHC, Inc., d/b/a Pioneer Behavioral Health, is a national healthcare company providing behavioral health services in five states, including substance abuse treatment facilities in Utah and Virginia, and inpatient and outpatient psychiatric facilities in Michigan, Pennsylvania, and Nevada. The Company also offers internet and telephonic-based referral services that includes employee assistance programs and critical incident services. Contracted services with government agencies, national insurance companies, and major transportation and gaming companies cover more than one million individuals. Pioneer helps people gain and maintain physical, spiritual and emotional health through delivering the highest quality, most culturally responsive and compassionate behavioral health care programs and services. For more information, visit http://us.1rd.yahoo.com/SIG=1655ep5il/**http%3A%2F%2Fcts.businesswire.com%2Fct%3Fid=smartlink%26url=http%253A%252F%252Fwww.phc-inc.com%26sheet=6288701%26lan=en_US%26anchor=www.phc-inc.com%26index=1%26md5=e539c9356af6ab822a285851557ff1c9.

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-K for the most recently ended fiscal year.

SOURCE PHC, Inc., d/b/a Pioneer Behavioral Health