



IPS WINS CONTRACT FROM COALITION AMERICA, THE NATION'S LEADER IN MEDICAL CLAIM SAVINGS

ORLANDO, Fla. – (PR Newswire) – July 18, 2007 – Integrated Pain Solutions, LLC (IPS), a wholly owned subsidiary of PainCare Holdings, Inc. (AMEX:PRZ), today announced that it has signed an agreement with Coalition America, Inc. (CAI), the nation's leader in medical claim savings, to assist CAI in cost containment programs and pain-related medical treatment for those patients associated with CAI's national customer base of employers, insurers, payors, HMOs, re-insurers and managing general underwriters.

The National Institutes of Health reports that the cost of chronic pain in the United States, including healthcare expenses, lost income and lost productivity, is estimated to be over \$500 billion per year. Scott Smith, president of CAI, stated, "With the medical component and related economic exposure of healthcare on the rise, the industry has been challenged to create and execute more effective healthcare cost management strategies that create true win-win scenarios for payors, providers, employers and employees. IPS' novel managed services approach to the treatment of pain is both timely and in keeping with prevailing industry demand for innovative cost control solutions. Consequently, we are looking forward to working with IPS to help deliver material savings to our valued clients."

Maria McAfee, CEO of IPS, noted, "Serving over 250 clients who represent thousands of health plans impacting millions of lives nationwide, CAI is playing a key proactive role in helping to positively impact economic exposure while enhancing access to care for patients. IPS is very proud to have won Coalition America as our first client and expect that this new relationship will result in tangible cost savings for CAI's customers and an important new revenue channel for IPS in the coming year."

About Coalition America, Inc.

Coalition America, Inc. (CAI) is the leader in medical claim savings utilizing proprietary technology, PPOs (preferred provider organizations) and negotiations to deliver significant discounts on group health and workers' compensation medical bills. Clients interface with CAI through HIPAA compliant EDI (electronic data interchange) or the Internet to reprice in-network and out-of-network medical claims. CAI generates significant savings through the integration of Primary PPOs, Wrap PPOs, Supplemental PPOs, and direct provider negotiations.

The Atlanta-based healthcare savings company directly services over 300 clients representing more than 50,000 businesses nationwide. CAI has saved its clients over one billion dollars since its inception in 1995. For more information about Coalition America please visit www.coalitionamerica.com.

About Integrated Pain Solutions (IPS)

Integrated Pain Solutions (IPS), a wholly-owned subsidiary of PainCare Holdings, Inc., is the first and only managed services organization offering a multidisciplinary healthcare network focused on pain management to payor organizations, such as insurance and workers' compensation carriers and unions. IPS reduces costs and increases quality of life by providing highly credentialed physicians and centers of excellence on pay-for-performance incentives, a continuum of care that begins with care coaching, a shared financial and clinical data warehouse, and evidence-based clinical outcome measurements to determine the most effective pain-management plan. For more information, please visit www.integratedpainsolutions.net.

About PainCare Holdings, Inc.

Headquartered in Orlando, Florida, PainCare Holdings, Inc. is one of the nation's leading providers of pain-focused medical and surgical solutions and services. Through its proprietary network of acquired or managed physician practices and ambulatory surgery centers, and in partnership with independent physician practices and medical institutions throughout the United States and Canada, PainCare is committed to utilizing the most advanced science and technologies to diagnose and treat pain stemming from neurological and musculoskeletal conditions and disorders.

Through its wholly owned subsidiary, Caperian, Inc., PainCare offers medical real estate and development services. Through Integrated Pain Solutions, the Company is engaged in pioneering the nation's first Managed Services Organization that offers a multi-disciplinary healthcare network focused on the treatment of pain. For more information on PainCare Holdings, please visit www.paincareholdings.com.

Safe Harbor Statement

This press release contains forward-looking statements that may be subject to various risks and uncertainties. Such forward-looking statements are made pursuant to the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995 and are made based on management's current expectations or beliefs as well as assumptions made by, and information currently available to, management. These forward-looking statements, which may include statements regarding our future financial performance or results of operations, including expected revenue growth, cash flow growth, future expenses, future operating margins and other future or expected performance, are subject to the following risks: the acquisition of businesses or the launch of new lines of business, which could increase operating expenses and dilute operating margins; the inability to attract new patients by our owned practices, the managed practices and the limited management practice; increased competition, which could lead to negative pressure on our pricing and the need for increased marketing; the inability to maintain, establish or renew relationships with physician practices, whether due to competition or other factors; the inability to comply with regulatory requirements governing our owned practices, the managed practices and the limited management practices; that projected operating efficiencies will not be achieved due to implementation difficulties or contractual spending commitments that cannot be reduced; and to the general risks associated with our businesses.

In addition to the risks and uncertainties discussed above you can find additional information concerning risks and uncertainties that would cause actual results to differ materially from those projected or suggested in the forward-looking statements in the reports that we have filed with the Securities and Exchange Commission.

The forward-looking statements contained in this press release represent our judgment as of the date of this release and you should not unduly rely on such statements. Unless otherwise required by law, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this press release. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in the filing may not occur, and actual results could differ materially from those anticipated or implied in the forward-looking statements.

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