



FOR IMMEDIATE RELEASE

Arcadia Announces Major Expansion of Headquarters and DailyMed™ Pharmacy Operations

INDIANAPOLIS (May 20, 2010) – Governor Mitch Daniels joined executives from Arcadia HealthCare (NYSE Amex:KAD) and Mayor Greg Ballard today to announce the company's plans to expand its national headquarters and pharmacy operations here, creating up to 930 new jobs by 2013.

In addition to new jobs, the provider of home health care and pharmacy services will invest \$3.9 million to expand corporate operations and centralize pharmacy fulfillment functions to the company's headquarters on the city's north side.

"In less than three years after we first welcomed Arcadia to Indiana from Michigan, they are expanding their commitment to our state by consolidating more work here," said Daniels. "We've always known Indiana to be a leader in health care and life sciences, but with recent growth from Medco, Express Scripts and now Arcadia's DailyMed Pharmacy, we are home to some of the top pharmacies in the world."

Arcadia will continue hiring corporate staff for its headquarters as well as managers, pharmacists, pharmacy technicians, account managers and sales personnel for its pharmacy business as it prepares to expand services for clients including Indiana-based WellPoint and Health Alliance Medical Plans, Inc. Currently, the company employs approximately 500 individuals throughout the state.

"Indiana continues to be a terrific building block for our company," said Marvin R. Richardson, president and chief executive officer of Arcadia. "By establishing a pro-business partnership with the state and local governments, higher education and community leaders, we have been able to expand our business, recruit in-state talent and set the foundation for greater national expansion. We are thrilled with the traction on the DailyMed Pharmacy front, and anticipate even greater opportunities in the coming years."

Arcadia recently reported its sixth consecutive quarter of sequential revenue growth with its DailyMed Pharmacy, the company's proprietary medication compliance and adherence program that includes a drug packaging system that puts patients' multiple prescription and over-the-counter medicines and vitamins into single-dose packs based on the time and date the drug should be administered. The program is complemented by a medication therapy management program administered by pharmacists and trained staff and is offered throughout the United States.

The Indiana Economic Development Corporation offered Arcadia up to \$13.5 million in performance-based tax credits based on the company's job creation plans. The city of Indianapolis will consider additional property tax abatement at the request of Develop Indy.

"Arcadia's decision to grow its operations here demonstrates confidence that the time is right to invest in the city of Indianapolis and that our central location and experienced labor pool continue to make good

business sense,” said Mayor Greg Ballard. “Arcadia’s success in the fast-growing industries of health care, life sciences and pharmacies will bring new jobs and capital investment to Indianapolis – vital components of our economy – and we thank them for choosing to do business in Indianapolis.”

Arcadia’s expansion comes just under three years after the company relocated its headquarters from Southfield, Mich. to Indianapolis.

About Arcadia HealthCare

Arcadia HealthCare is a service mark of Arcadia Resources, Inc. (NYSE Amex: KAD), and is a leading provider of home care, medical staffing and pharmacy services under its proprietary DailyMed program. The Company, headquartered in Indianapolis, Indiana, has 65 locations in 20 states. Arcadia HealthCare’s comprehensive solutions and business strategies support the Company’s vision of “Keeping People at Home and Healthier Longer.”

DailyMed™ Pharmacy dispenses a monthly cycle of a patient’s prescriptions, over-the-counter medications and vitamins, and organizes them into pre-sorted packets clearly marked with the date and time the medications should be taken. In the dispensing process, a DailyMed pharmacist reviews each patient’s medication profile and utilizes state-of-the-art medication therapy management tools to improve the safety and efficacy of the medications being dispensed. A DailyMed pharmacist provides routine communication with the patient, the primary care physician, caregivers and payers to maximize the pharmaceutical care administered. The DailyMed program improves patient care and drug utilization while reducing drug and hospitalization costs for private and government payers.

Forward-Looking Statements

This press release may contain statements which constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the intent, belief or current expectations of the Company, its directors, or its officers with respect to the future operating performance of the Company. Investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties, and that actual results may differ materially from those in the forward-looking statements as a result of various factors. Important factors that could cause such differences are described in the Company’s periodic filings with the Securities and Exchange Commission.

About IEDC

The Indiana Economic Development Corporation is the state’s premier entity charged with economic development. The IEDC has a 12-member board chaired by Governor Mitch Daniels. Mitch Roob serves as the chief executive officer of the IEDC. For more information about IEDC, visit www.iedc.IN.gov.

About Develop Indy

Develop Indy is dedicated to attracting new businesses, retaining and expanding existing businesses and serving as a catalyst for capital investment and quality job growth. Develop Indy is led by CEO Scott Miller and a nine-member board of directors appointed by Mayor Greg Ballard. For more information about Develop Indy, visit www.developindy.com.

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