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FOR IMMEDIATE RELEASE
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**REHABCARE AND FLOYD HEALTHCARE RESOURCES CLOSE AGREEMENT
TO OPERATE JOINT VENTURE SPECIALTY HOSPITAL**

ST. LOUIS, MO, and ROME, GA, June 2, 2008—A joint venture between RehabCare Group, Inc. (NYSE: RHB) and Floyd Healthcare Resources (FHR) was finalized June 1, following approval by the Georgia Attorney General's office May 21. The joint venture will own and operate The Specialty Hospital, a 24-bed Long-Term Acute Care Hospital (LTACH) located within Floyd Medical Center (Rome, GA). RehabCare will own 80 percent of the joint venture with FHR owning 20 percent.

"The Specialty Hospital is the only LTACH located north of Marietta and this clearance paves the way for us to expand this important health service for the residents of northern Georgia," said John H. Short, Ph.D., RehabCare President and CEO. "Completion of this agreement also allows us to continue our momentum in opening new hospitals. We currently operate 11 facilities across the country and we're on pace to own and/or manage 17 by the end of 2009."

RehabCare and FHR have announced plans to expand the LTACH to 45 beds under a previously granted certificate of need and to relocate it to a freestanding facility that the joint venture will construct on the campus of the medical center. Construction should be completed by the end of 2009.

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LTACHs provide specialized, around-the-clock care for extended stay patients with chronic or medically complex conditions, such as ventilator dependency, brain injury, cardiopulmonary disease, chronic pain and neuropathy. Patients are typically admitted to an LTACH following treatment in a traditional acute care hospital, and the average length of stay exceeds 25 days.

RehabCare currently owns and/or manages four LTACHs and seven freestanding rehabilitation hospitals in locations across the country. With more than 25 years experience, RehabCare also is a leading provider of physical rehabilitation program management services in more than 1,200 hospitals, nursing homes and other long-term care facilities throughout the United States. More information on RehabCare can be found at www.rehabcare.com.

Floyd Healthcare Resources Inc. is a not-for-profit corporation created in 1991 by the Hospital Authority of Floyd County. It serves as a holding company for medically related business investments initially funded through loans made to it by the Hospital Authority of Floyd County and/or Floyd Healthcare Management, Inc. Floyd Healthcare Resources, Inc. is governed by an eight (8) member board of directors, two of whom must be members of the Hospital Authority of Floyd County.

This press release contains forward-looking statements that are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements are based on the Company's current expectations and could be affected by numerous factors, risks and uncertainties discussed in the Company's filings with the Securities and Exchange Commission, including the Company's most recent annual report on Form 10-K, subsequent quarterly reports on Form 10-Q and current reports on Form 8-K. Do not rely on forward looking statements as the Company cannot predict or control many of the factors that ultimately may affect the Company's ability to achieve the results estimated. The Company makes no promise to update any forward looking statements whether as a result of changes in underlying factors, new information, future events or otherwise.

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