

FOR IMMEDIATE RELEASE

State of Connecticut Announces Intent to Award Expanded \$18 Million Annual Transportation Contract to Providence's LogistiCare Subsidiary

TUCSON, ARIZONA and ATLANTA, GEORGIA – May 7, 2008 -- The Providence Service Corporation (Nasdaq: PRSC) today announced that its LogistiCare subsidiary, the nation's largest coordinator of non-emergency transportation (NET) services, has received notice from the State of Connecticut Department of Social Services (DSS) of its intent to award a contract to manage its non-emergency transportation program for Medicaid recipients.

The contract has an annual value of approximately \$18.0 million, a \$3.0 million increase over the prior contract value of \$15.0 million. The award is subject to finalized contracts and various processing procedures. The new contract is expected to take effect June 1, 2008 and run through March 31, 2013.

"We are very excited to expand our partnership with the state of Connecticut," said John Shermeyen, LogistiCare's CEO. "We are gratified that the DSS values our contributions to its program and we look forward to serving a growing number of Connecticut's Medicaid population."

LogistiCare has operated in Connecticut since 1996, and since 1998, has played an integral role in partnering with DSS to help to lower costs associated with transporting Medicaid patients to health care providers, while improving the quality of that transportation service.

About LogistiCare

LogistiCare is the nation's leading Medicaid transportation management solution. Proprietary software, innovative management strategies, and a proven record of creating budget stability and quality improvements for our clients distinguish LogistiCare as the leader in its field. From its corporate office just outside Atlanta and its numerous state-based operations nationwide, LogistiCare manages a national network of more than 1,100 transportation companies that provide more than 17 million trips to customers annually. LogistiCare's clients have included state Medicaid agencies, school boards, transit authorities, hospital systems and many of the nation's largest managed care organizations. For more information, visit www.logisticare.com.

About Providence

Providence Service Corporation, through its owned and managed entities, provides home and community based social services and non-emergency transportation services management to government sponsored clients under programs such as welfare, juvenile justice, Medicaid and corrections. Providence does not own or operate beds, treatment facilities, hospitals or group homes, preferring to provide services in the client's own home or other community setting. The Company provides a range of services to over 80,000 clients through approximately 1,030 contracts, with an estimated seven million individuals eligible to receive the Company's non-emergency transportation services related to its LogistiCare operations. Combined, the Company has a nearly \$1 billion book of business with managed entities.

Certain statements herein, such as any statements about Providence's confidence or strategies or its expectations about revenues, results of operations, profitability, earnings per share, contracts, collections, award of contracts, acquisitions and related growth, growth resulting from initiatives in certain states, effective tax rate or market opportunities, constitute "forward-looking statements" within the meaning of the private Securities Litigation Reform Act of 1995. Such forward-looking statements involve a number of known and unknown risks, uncertainties and other factors which may cause Providence's actual results or achievements to be materially different from those expressed or implied by such forward-looking statements. These factors include, but are not limited to, reliance on government-funded contracts, risks associated with government contracting, risks involved in managing government business, legislative or policy changes, challenges resulting from growth or acquisitions, adverse media and legal, economic and other risks detailed in Providence's filings with the Securities and Exchange Commission, including its Form 10-K for the year ended December 31, 2007. Words such as "believe," "demonstrate," "expect," "estimate," "anticipate," "should" and "likely" and similar expressions identify forward-looking statements. Readers are cautioned not to place undue reliance on those forward-looking statements, which speak only as of the date the statement was made. Providence undertakes no obligation to update any forward-looking statement contained herein.

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