

## **Pacific Health Care Organization, Inc. Reports Third Quarter 2021 Results**

NEWPORT BEACH, Calif., November 12, 2021 (GLOBE NEWSWIRE) – Pacific Health Care Organization, Inc., (the “Company”) (OTCQB: PFHO) today filed with the Securities and Exchange Commission (the “Commission”) its quarterly report on Form 10-Q announcing its financial results for the quarter ended September 30, 2021.

### **Quarterly Results**

The Company reported net income of \$76,846 or \$0.01 per basic and fully diluted common share for the three months ended September 30, 2021, compared to net income of \$136,997 or \$0.01 per basic and fully diluted common share, for the three months ended September 30, 2020. For the first nine months of 2021, the Company reported net income of \$678,842 or \$0.05 per basic and fully diluted common share, compared to net income of \$366,714 or \$0.03 per basic and fully diluted common share for the first nine months of 2020.

Total revenues for the three months ended September 30, 2021, were \$1,310,618 compared to \$1,415,754 for the same period in 2020, a decrease of \$105,136 or 7 percent. For the first nine months of 2021 the Company recorded total revenues of \$3,978,431 compared to total revenues of \$4,435,169 for the same period in 2020, a decrease of \$456,738 or 10 percent.

Net cash provided by operating activities decreased to \$449,993 during the nine months ended September 30, 2021, compared to \$700,538 for the same period in 2020, a decrease of \$250,545, or 36 percent. Net cash used in investing activities was \$12,199 during the nine months ended September 30, 2021, compared to \$52,803 during the same period of the previous year. Net cash provided by financing activities during the nine months ended September 30, 2021 was \$218,900 compared to \$460,700 during the same period in 2020. In 2020, the Company received three Paycheck Protection Program loans, which the loans and interest were fully forgiven in February of 2021. The Company received a Second Draw Paycheck Protection Program loan in April 2021, in the amount of \$218,900. This loan can also qualify for full forgiveness if the use of funds meets the required forgiveness criteria. The Company plan to apply for forgiveness of this Second Draw Paycheck Protection Program loan at an appropriate time. Cash balance at September 30, 2021, and December 31, 2020, was \$10,155,151 and \$9,498,457, respectively.

### **About Pacific Health Care Organization, Inc.**

The Company specializes in workers’ compensation cost containment. The Company’s business objective is to deliver value to its customers that reduces their workers’ compensation related medical claims expense in a manner that will assure that injured employees receive high quality healthcare that allows them to recover from injury and return to gainful employment without undue delay. Workers’ compensation costs continue to increase due to rising medical costs, inflation, fraud, and other factors. Medical and indemnity costs associated with workers’ compensation in the state of California are billions of dollars annually. Through its wholly owned subsidiaries, the Company provides a range of effective workers’ compensation cost containment services, including but not limited to, Health Care Organizations, Medical Provider Networks, medical case management, utilization review, medical bill review, workers’

compensation carve-outs and Medicare set-aside services. We also provide lien representation and expert witness testimony, ancillary to our other services. We offer our services as a bundled solution, as standalone services, or as add-on services.

“Safe Harbor” Statement: Statements included in this press release, other than statements or characterizations of historical fact, are forward-looking statements. Forward-looking statements are based on management’s current judgment, expectations, estimates, projections, and assumptions about future events. While management believes these assumptions are reasonable, such statements are not guarantees of future results and involve certain risks and uncertainties which are difficult to predict. Therefore, actual results and trends may differ materially from what is forecast in any forward-looking statement due to a variety of factors. Additional information regarding these factors, such as the potential loss of one or more key customers or the possible impacts of the Covid-19 pandemic, is contained in the Company’s filings with the Commission, including without limitation, its annual reports on Form 10-K and its quarterly reports on Form 10-Q.

All forward-looking statements speak only as of the date they were made. The Company does not undertake any obligation to update or publicly release any revisions to any forward-looking statements to reflect events, circumstances, or changes in expectations after the date of this press release.

To view the Company’s quarterly report on Form 10-Q for the periods ended September 30, 2021, filed with the Commission today, as well as the Company’s annual, quarterly, and current reports and other information the Company files with the U.S. Securities and Exchange Commission go to: <http://www.sec.gov>. You may also view our annual report on Form 10-K and quarterly reports on Form 10-Q on our website at <http://www.pacifichealthcareorganization.com>.

**Pacific Health Care Organization, Inc.**

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