

## **Pacific Health Care Organization, Inc. Reports Third Quarter 2013 Results**

NEWPORT BEACH, Calif., Nov. 14, 2013 (GLOBE NEWSWIRE) – Pacific Health Care Organization, Inc., (the “Company”) (OTCQB: PFHO) today announced its financial results for the third quarter ended September 30, 2013.

### **Quarterly Results**

The Company reported net income of \$333,042, or \$0.42 per basic and fully diluted share for the third quarter ended September 30, 2013 compared to net income of \$186,573, or \$0.23 per basic and fully diluted share, for the third quarter ended September 30, 2012. For the first nine months of 2013, the Company reported net income of \$825,470 or \$1.03 per basic and fully diluted share, compared to net income of \$529,326 or \$0.66 per basic and fully diluted share for the first nine months of 2012.

Total revenues for the third quarter 2013 were \$1,703,570, compared to \$1,326,801 for the same period in 2012, an increase of \$376,769 or 28 percent. For the first nine months of 2013, the Company recorded total revenue of \$4,680,288 compared to total revenues of \$3,516,169 for the same period in 2012, an increase of \$1,164,119, or 33 percent.

Cash provided by operations increased to \$470,823 during the nine months ended September 30, 2013, from \$107,746 for the same period in 2012, an increase of \$363,077 or 337 percent. Cash balance at September 30, 2013 and 2012 was \$933,109 and \$407,754 respectively.

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

The Company is a specialty workers’ compensation managed care company providing a range of services primarily to California employers and claims administrators. 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. The Company’s focus goes beyond the medical cost of the claim, its goal is to reduce the entire cost of the claim, including medical, legal and administrative costs. 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, HCO + MPN, Workers’ Compensation Carve-Outs, Utilization Review, Medical Bill Review, and Nurse Case Management.

“Safe Harbor” Statement: Statements included in this press release, other than statements or characterizations of historical fact, are forward-looking statements. Statements regarding the Company’s current expectations, estimates and projections reflect certain beliefs and assumptions made by management based on currently available information, all of which are

beyond the Company's control and subject to change. Such forward-looking statements include, but are not limited to statements regarding the Company's results of operations, including the benefits of the Company's expanded marketing efforts, anticipated future growth, the Company's ability to sustain growth rates and the Company's business plans and expansion efforts. These forward-looking statements are not guarantees of future results and by their nature involve substantial risks, uncertainties and assumptions that could cause the Company's actual results to differ materially and adversely from those expressed in any forward-looking statement depending on a variety of factors, many of which are not within the Company's control. These factors include but are not limited to economic conditions generally and in the industry in which the Company and its customers participate; competition within the industry, including competition from much larger competitors; legislative requirements or changes which could render the Company's services less competitive or obsolete; the failure to successfully develop new services and/or products or to anticipate current or prospective customers' needs; price increases or employee limitations; and delays, reductions, or cancellations of contracts previously entered. The Company hereby qualifies all its forward-looking statements by these cautionary statements and undertakes no obligation to amend this report or revise publicly these forward-looking statements (other than pursuant to reporting obligations imposed on registrants pursuant to the Securities Exchange Act of 1934, as amended) to reflect subsequent events or circumstances.

To view the 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/>

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