UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ___________ to ___________

Commission File Number: 001-35331

Acadia Healthcare Company, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**45-2492228**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**

4020 Aspen Grove Drive, Suite 900
Franklin, Tennessee 37067
(Address, including zip code, of principal executive offices)

(615) 861-6000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $.01 par value	ACHC	NASDAQ Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
Smaller reporting company	☐	Emerging growth company	☐		

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

At July 27, 2026, there were 93,100,275 shares of the registrant's common stock outstanding.

ACADIA HEALTHCARE COMPANY, INC.
QUARTERLY REPORT ON FORM 10-Q
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PART I – FINANCIAL INFORMATION

Item 1. Financial Statements

Acadia Healthcare Company, Inc.
Condensed Consolidated Balance Sheets
(Unaudited)

	June 30, 2026	December 31, 2025
	(In thousands, except share and per share amounts)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 171,290	$ 133,242
Accounts receivable, net	470,750	440,604
Other current assets	203,247	240,293
Total current assets	845,287	814,139
Property and equipment, net	3,089,801	3,111,212
Goodwill	1,303,272	1,296,342
Intangible assets, net	100,186	96,672
Deferred tax assets	2,457	2,528
Operating lease right-of-use assets	138,923	134,005
Other assets	66,399	72,550
Total assets	$ 5,546,325	$ 5,527,448
LIABILITIES AND EQUITY		
Current liabilities:		
Current portion of long-term debt	$ 32,500	$ 28,438
Accounts payable	135,258	150,403
Accrued salaries and benefits	177,525	188,638
Current portion of operating lease liabilities	20,755	21,160
Other accrued liabilities	171,541	136,555
Total current liabilities	537,579	525,194
Long-term debt	2,382,069	2,471,529
Deferred tax liabilities	87,137	66,605
Operating lease liabilities	128,851	121,961
Other liabilities	218,842	201,607
Total liabilities	3,354,478	3,386,896
Redeemable noncontrolling interests	212,725	191,592
Equity:		
Preferred stock, $0.01 par value; 10,000,000 shares authorized, no shares issued	—	—
Common stock, $0.01 par value; 180,000,000 shares authorized; 90,868,250 and 90,452,483 issued and outstanding at June 30, 2026 and December 31, 2025, respectively	909	905
Additional paid-in capital	2,729,021	2,713,896
Accumulated deficit	(750,808)	(765,841)
Total equity	1,979,122	1,948,960
Total liabilities and equity	$ 5,546,325	$ 5,527,448

See accompanying notes.

Acadia Healthcare Company, Inc.
Condensed Consolidated Statements of Income
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
	(In thousands, except per share amounts)			
Revenue	$ 865,839	$ 869,232	$ 1,694,641	$ 1,639,737
Salaries, wages and benefits (including equity-based compensation expense of $10,990, $10,549, $18,946 and $19,226, respectively)	474,095	452,417	941,135	897,688
Professional fees	55,760	49,961	108,957	95,668
Supplies	30,197	28,532	59,688	56,874
Rents and leases	11,844	12,610	23,577	24,266
Other operating expenses	155,747	134,414	286,826	248,416
Depreciation and amortization	50,427	48,995	102,853	96,027
Interest expense, net	38,178	35,138	76,508	64,320
Debt extinguishment costs	—	—	—	1,269
Legal settlements expense	—	—	13,751	3,504
Loss on impairment	7,364	1,452	7,364	1,452
Gain on sale of property, net	(2,359)	(8,715)	(3,581)	(8,715)
Transaction, legal and other costs	22,579	64,425	44,592	95,497
Total expenses	843,832	819,229	1,661,670	1,576,266
Income before income taxes	22,007	50,003	32,971	63,471
Provision for income taxes	9,747	12,067	16,247	16,471
Net income	12,260	37,936	16,724	47,000
Net income attributable to noncontrolling interests	(1,332)	(7,809)	(1,691)	(8,499)
Net income attributable to Acadia Healthcare Company, Inc.	$ 10,928	$ 30,127	$ 15,033	$ 38,501
Earnings per share attributable to Acadia Healthcare Company, Inc. stockholders:				
Basic	$ 0.12	$ 0.33	$ 0.17	$ 0.42
Diluted	$ 0.12	$ 0.33	$ 0.16	$ 0.42
Weighted-average shares outstanding:				
Basic	90,817	90,328	90,675	90,987
Diluted	91,374	90,435	91,205	91,400

See accompanying notes.

Acadia Healthcare Company, Inc.
Condensed Consolidated Statements of Equity
(Unaudited)
(In thousands)

	Common Stock		Additional Paid-in	Retained Earnings (Accumulated	
	Shares	Amount	Capital	Deficit)	Total
Balance at December 31, 2024	91,775	$ 918	$ 2,685,464	$ 387,333	$ 3,073,715
Common stock issued under stock incentive plans	217	2	(2)	—	—
Repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises	—	—	(1,936)	—	(1,936)
Repurchase of common stock, including excise tax	(1,603)	(16)	—	(47,256)	(47,272)
Equity-based compensation expense	—	—	8,677	—	8,677
Net income attributable to Acadia Healthcare Company, Inc.	—	—	—	8,374	8,374
Balance at March 31, 2025	90,389	904	2,692,203	348,451	3,041,558
Common stock issued under stock incentive plans	109	1	(1)	—	—
Repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises	—	—	(1,780)	—	(1,780)
Repurchase of common stock, including excise tax	(104)	(1)	—	(3,159)	(3,160)
Equity-based compensation expense	—	—	10,549	—	10,549
Other	—	—	692	—	692
Net income attributable to Acadia Healthcare Company, Inc.	—	—	—	30,127	30,127
Balance at June 30, 2025	90,394	904	2,701,663	375,419	3,077,986
Common stock issued under stock incentive plans	38	—	—	—	—
Repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises	—	—	(237)	—	(237)
Repurchase of common stock, including excise tax			—	9	9
Equity-based compensation expense	—	—	6,031	—	6,031
Other	—	—	262	—	262
Net income attributable to Acadia Healthcare Company, Inc.	—	—	—	36,246	36,246
Balance at September 30, 2025	90,432	904	2,707,719	411,674	3,120,297
Common stock issued under stock incentive plans	21	1	(1)	—	—
Repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises	—	—	(273)	—	(273)
Repurchase of common stock, including excise tax	—	—	—	4	4
Equity-based compensation expense	—	—	6,451	—	6,451
Net loss attributable to Acadia Healthcare Company, Inc.	—	—	—	(1,177,519)	(1,177,519)
Balance at December 31, 2025	90,453	905	2,713,896	(765,841)	1,948,960
Common stock issued under stock incentive plans	311	3	(3)	—	—
Repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises	—	—	(2,744)	—	(2,744)
Equity-based compensation expense	—	—	7,956	—	7,956
Net income attributable to Acadia Healthcare Company, Inc.	—	—	—	4,105	4,105
Balance at March 31, 2026	90,764	908	2,719,105	(761,736)	1,958,277
Common stock issued under stock incentive plans	104	1	(1)	—	—
Repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises	—	—	(1,063)	—	(1,063)
Equity-based compensation expense	—	—	10,990	—	10,990
Other	—	—	(10)	—	(10)
Net income attributable to Acadia Healthcare Company, Inc.	—	—	—	10,928	10,928
Balance at June 30, 2026	90,868	$ 909	$ 2,729,021	$ (750,808)	$ 1,979,122

See accompanying notes.

Acadia Healthcare Company, Inc.
Condensed Consolidated Statements of Cash Flows
(Unaudited)

	Six Months Ended June 30,	
	2026	2025
	(In thousands)	
Operating activities:		
Net income	$ 16,724	$ 47,000
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	102,853	96,027
Amortization of debt issuance costs	2,517	2,278
Equity-based compensation expense	18,946	19,226
Deferred income taxes	20,604	(8,753)
Debt extinguishment costs	—	1,269
Non-cash legal settlements expense	—	3,504
Loss on impairment	7,364	1,452
Gain on sale of property, net	(3,581)	(8,715)
Other	516	1,128
Change in operating assets and liabilities, net of effect of acquisitions:		
Accounts receivable, net	(30,146)	(42,660)
Other current assets	30,356	(3,797)
Other assets	(572)	(7,684)
Accounts payable and other accrued liabilities	36,195	27,684
Accrued salaries and benefits	(16,631)	(3,940)
Other liabilities	38,453	20,962
Net cash provided by operating activities	223,598	144,981
Investing activities:		
Cash paid for acquisitions, net of cash acquired	—	(8,165)
Cash paid for capital expenditures	(115,117)	(342,378)
Proceeds from sale of property and equipment	26,497	16,623
Other	(4,270)	(101)
Net cash used in investing activities	(92,890)	(334,021)
Financing activities:		
Borrowings on long-term debt	—	1,200,000
Borrowings on revolving credit facility	85,000	830,000
Principal payments on revolving credit facility	(160,000)	(1,035,000)
Principal payments on long-term debt	(12,188)	(4,063)
Repayment of long-term debt	—	(670,856)
Payment of debt issuance costs	—	(18,615)
Repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises	(3,807)	(3,716)
Repurchase of common stock	—	(50,034)
Contributions from noncontrolling partners in joint ventures	990	—
Distributions to noncontrolling partners in joint ventures	(2,593)	(1,990)
Cash paid for contingent consideration	—	(1,500)
Other	(62)	(70)
Net cash (used in) provided by financing activities	(92,660)	244,156
Net increase in cash and cash equivalents	38,048	55,116
Cash and cash equivalents at beginning of the period	133,242	76,305
Cash and cash equivalents at end of the period	$ 171,290	$ 131,421
Effect of acquisitions:		
Assets acquired, excluding cash	$ 20,760	$ 19,881
Liabilities assumed	—	(842)
Redeemable noncontrolling interest resulting from an acquisition	(20,760)	(10,874)
Cash paid for acquisitions, net of cash acquired	$ —	$ 8,165

See accompanying notes.

Acadia Healthcare Company, Inc.
Notes to Condensed Consolidated Financial Statements
June 30, 2026
(Unaudited)

1. Description of Business and Basis of Presentation

Description of Business

Unless the context otherwise requires, all references herein to "Acadia," "the Company," "we," "us" or "our" mean Acadia Healthcare Company, Inc. and its consolidated subsidiaries. Acadia Healthcare Company, Inc. is a holding company whose direct and indirect subsidiaries own and operate acute inpatient psychiatric facilities, specialty treatment facilities, comprehensive treatment centers ("CTCs"), residential treatment centers and facilities providing outpatient behavioral healthcare services to serve the behavioral healthcare and recovery needs of communities throughout the United States (the "U.S.") and Puerto Rico. At June 30, 2026, these subsidiaries operated 279 behavioral healthcare facilities with approximately 12,600 beds in 40 states and Puerto Rico. The terms "facilities," "centers," "clinics," and "hospitals" refer to entities owned, operated, or managed by subsidiaries of Acadia Healthcare Company, Inc. References herein to "employees" refer to employees of subsidiaries of Acadia Healthcare Company, Inc.

Basis of Presentation

The business of the Company is conducted through limited liability companies, partnerships and C-corporations. The Company's condensed consolidated financial statements include the accounts of the Company and all subsidiaries controlled by the Company through its direct or indirect ownership of majority interests and exclusive rights granted to the Company as the controlling member of an entity. All intercompany accounts and transactions have been eliminated in consolidation.

The accompanying condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. In the opinion of management, all adjustments (consisting of normal recurring accruals) considered necessary for fair presentation of the Company's financial position and results of operations have been included. The Company's fiscal year ends on December 31 and interim results are not necessarily indicative of results for a full year or any other interim period. The condensed consolidated balance sheet at December 31, 2025 has been derived from the audited financial statements as of that date. The information contained in these condensed consolidated financial statements should be read in conjunction with the Company's consolidated financial statements and notes thereto for the fiscal year ended December 31, 2025 included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on February 26, 2026. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. Actual results could differ from those estimates.

Certain reclassifications have been made to the prior year to conform to the current year presentation.

2. Recently Issued Accounting Standards

In November 2024, the Financial Accounting Standards Board (the "FASB") issued Accounting Standards Update ("ASU") 2024-03 *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)*: *"Disaggregation of Income Statement Expenses*" ("ASU 2024-03"). ASU 2024-03 requires disaggregated disclosure of certain income statement expenses. This guidance is effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted and must be applied prospectively. The Company is currently evaluating the impact of ASU 2024-03 on the Company's condensed consolidated financial statements.

In July 2025, the FASB issued ASU 2025-05 *Financial Instruments—Credit Losses (Topic 326): "Measurement of Credit Losses for Accounts Receivable and Contract Assets"* ("ASU 2025-05"). ASU 2025-05 allows entities to elect a practical expedient to assume the current conditions as of the balance sheet date remain unchanged for the remaining life of the asset in the development of a reasonable and supportable forecast for current accounts receivable and current contract assets arising from transactions accounted for under Accounting Standards Codification ("ASC") 606, *Revenue from Contracts with Customers*. This guidance is effective for fiscal years beginning after December 15, 2025, and interim reporting periods within those fiscal years, and must be adopted prospectively. The Company adopted ASU 2025-05 as of January 1, 2026 and such adoption did not have a significant impact on the Company's condensed consolidated financial statements.

In September 2025, the FASB issued ASU 2025-06 *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): "Targeted Improvements to the Accounting for Internal-Use Software"* ("ASU 2025-06"). ASU 2025-06 is intended to clarify and modernize the accounting for costs related to internal-use software. This guidance is effective for fiscal years beginning after December 15, 2027, and interim periods within those fiscal years, and may be adopted using a prospective, retrospective, or modified transition approach. Early adoption is permitted and must be applied as of the beginning of the annual reporting period in which it is early adopted. The Company is currently evaluating the impact of ASU 2025-06 on the Company's condensed consolidated financial statements.

In December 2025, the FASB issued ASU 2025-10 *Government Grants (Topic 832): "Accounting for Government Grants Received by Business Entities"* ("ASU 2025-10"). ASU 2025-10 establishes guidance on the recognition, measurement, and presentation of government grants received by business entities. This guidance leverages the principles in the accounting framework for government assistance in International Accounting Standard 20, *Accounting for Government Grants and Disclosure of Government Assistance*, makes certain targeted improvements, and modifies certain of the existing disclosure requirements in ASC 832, *Government Assistance*. ASU 2025-10 is effective for fiscal years beginning after December 15, 2028, and interim reporting periods within those fiscal years, and may be adopted on a modified prospective basis, a modified retrospective basis, or a full retrospective basis. Early adoption is permitted in any period for which financial statements have not been issued. The Company is currently evaluating the impact of ASU 2025-10 on the Company's condensed consolidated financial statements.

In December 2025, the FASB issued ASU 2025-11 *Interim Reporting (Topic 270): "Narrow-Scope Improvements"* ("ASU 2025-11"). ASU 2025-11 clarifies the interim reporting requirements in GAAP by improving the navigability of Topic 270 and more clearly specifying what disclosures are required in an interim reporting period. This guidance is effective for interim reporting periods in fiscal years beginning after December 15, 2027, and may be adopted on a prospective or retrospective basis. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2025-11 on the Company's condensed consolidated financial statements.

In December 2025, the FASB issued ASU 2025-12 *Codification Improvements* ("ASU 2025-12"). ASU 2025-12 provides for technical corrections, clarifications and other minor improvements to a variety of topics. This guidance is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods and may be adopted on a prospective or retrospective basis on an issue-by-issue basis. Early adoption is permitted on an issue-by-issue basis. The Company is currently evaluating the impact of ASU 2025-12 on the Company's condensed consolidated financial statements.

3. Revenue

Revenue is primarily derived from services rendered to patients for inpatient psychiatric and substance abuse care, outpatient psychiatric care and residential treatment. The services provided by the Company have no fixed duration and can be terminated by the patient or the facility at any time, and therefore, each treatment is its own stand-alone contract.

Services ordered by a healthcare provider in an episode of care are not separately identifiable and therefore have been combined into a single performance obligation for each contract. The Company recognizes revenue as its performance obligations are completed. The performance obligation is satisfied over time as the customer simultaneously receives and consumes the benefits of the healthcare services provided. For inpatient services, the Company recognizes revenue equally over the patient stay on a daily basis. For outpatient services, the Company recognizes revenue equally over the number of treatments provided in a single episode of care. Typically, patients and third-party payors are billed within several days of the service being performed or the patient being discharged, and payments are due based on contract terms.

As the Company's performance obligations relate to contracts with a duration of one year or less, the Company elected the optional exemption in ASC 606-10-50-14(a). Therefore, the Company is not required to disclose the transaction price for the remaining performance obligations at the end of the reporting period or when the Company expects to recognize the revenue. The Company has minimal unsatisfied performance obligations at the end of the reporting period as its patients typically are under no obligation to remain admitted in the Company's facilities.

The Company disaggregates revenue from contracts with customers by service type and by payor.

The Company's facilities and services provided by the facilities can generally be classified into the following categories: acute inpatient psychiatric facilities; specialty treatment facilities; CTCs; and residential treatment centers.

Acute inpatient psychiatric facilities. Acute inpatient psychiatric facilities provide a high level of care in order to stabilize patients that are either a threat to themselves or to others. The acute setting provides 24-hour observation, daily intervention and monitoring by psychiatrists.

Specialty treatment facilities. Specialty treatment facilities include residential recovery facilities. The Company provides a comprehensive continuum of care for adults with addictive disorders and co-occurring mental disorders. Inpatient, including detoxification and rehabilitation, partial hospitalization and outpatient treatment programs give patients access to the least restrictive level of care.

Comprehensive treatment centers. CTCs specialize in providing medication-assisted treatment in an outpatient setting to individuals addicted to opioids such as opioid analgesics (prescription pain medications).

Residential treatment centers. Residential treatment centers treat patients with behavioral disorders in a non-hospital setting. The facilities balance therapy activities with social, academic and other activities.

The table below presents total revenue attributed to each category (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Acute inpatient psychiatric facilities	$ 494,570	$ 495,401	$ 965,223	$ 907,633
Specialty treatment facilities	133,515	145,755	261,631	282,729
Comprehensive treatment centers	141,180	141,522	281,592	278,507
Residential treatment centers	96,574	86,554	186,195	170,868
Revenue	$ 865,839	$ 869,232	$ 1,694,641	$ 1,639,737

The Company receives payments from the following sources for services rendered in its facilities: (i) state governments under their respective Medicaid and other programs; (ii) commercial insurers; (iii) the federal government under the Medicare program administered by the Centers for Medicare and Medicaid Services ("CMS") and other programs; and (iv) individual patients and clients. The recognition of revenue under certain state government programs can depend on the timing of the programs' approval by regulatory authorities. Based on the timing of approval of two such programs, during the three and six months ended June 30, 2026, the Company recognized $22.3 million and $34.0 million, respectively, of revenue which related to services rendered in the year ended December 31, 2025. Based on the timing of approval of one such program in 2025, during the three months ended June 30, 2025, the Company recognized $65.6 million of revenue, $34.4 million of which related to services rendered in the year ended December 31, 2024 and $14.3 million of which related to services rendered in the three months ended March 31, 2025.

The Company determines the transaction price based on established billing rates reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients and implicit price concessions. Contractual adjustments and discounts are based on contractual agreements, discount policies and historical experience. Implicit price concessions are based on historical collection experience. Most of the Company's facilities have contracts containing variable consideration. However, it is unlikely a significant reversal of revenue will occur when the uncertainty is resolved, and therefore, the Company has included the variable consideration in the estimated transaction price. Subsequent changes resulting from a patient's ability to pay are recorded as bad debt expense, which is included as a component of other operating expenses in the condensed consolidated statements of income. Bad debt expense for the three and six months ended June 30, 2026 and 2025 was not significant.

The table below presents the Company's revenue by payor type and as a percentage of revenue (dollars in thousands) and includes an immaterial revision of amounts for the three months ended June 30, 2025, and the six months ended June 30, 2026 and 2025, to correct the classification of certain revenue among payors.

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Commercial	$ 185,797	21.5%	$ 204,135	23.5%	$ 366,653	21.6%	$ 393,810	24.0%
Medicare	122,286	14.1%	118,904	13.7%	237,981	14.0%	233,445	14.2%
Medicaid	540,225	62.4%	521,382	60.0%	1,048,650	61.9%	955,695	58.3%
Self-Pay	9,507	1.1%	13,174	1.5%	24,754	1.5%	31,131	1.9%
Other	8,024	0.9%	11,637	1.3%	16,603	1.0%	25,656	1.6%
Revenue	$ 865,839	100.0%	$ 869,232	100.0%	$ 1,694,641	100.0%	$ 1,639,737	100.0%

4. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share for the three and six months ended June 30, 2026 and 2025 (in thousands, except per share amounts):

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Numerator:				
Net income attributable to Acadia Healthcare Company, Inc.	$ 10,928	$ 30,127	$ 15,033	$ 38,501
Denominator:				
Weighted average shares outstanding for basic earnings per share	90,817	90,328	90,675	90,987
Effects of dilutive instruments	557	107	530	413
Shares used in computing diluted earnings per common share	91,374	90,435	91,205	91,400
Earnings per share attributable to Acadia Healthcare Company, Inc. stockholders:				
Basic	$ 0.12	$ 0.33	$ 0.17	$ 0.42
Diluted	$ 0.12	$ 0.33	$ 0.16	$ 0.42

Approximately 2.0 million and 2.2 million shares of restricted stock and shares of common stock issuable upon exercise of certain outstanding stock option awards were excluded from the calculation of diluted earnings per share for the three months ended June 30, 2026 and 2025, respectively, because their effect would have been anti-dilutive. Approximately 3.1 million and 1.3 million shares of restricted stock and shares of common stock issuable upon exercise of certain outstanding stock option awards were excluded from the calculation of diluted earnings per share for the six months ended June 30, 2026 and 2025, respectively, because their effect would have been anti-dilutive.

5. Other Current Assets

Other current assets consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Assets held for sale	$ 52,613	$ 60,418
Income taxes receivable	49,554	41,886
Prepaid expenses	32,082	47,017
Workers' compensation deposits – current portion	22,000	18,500
Other receivables	14,011	15,474
Cost report receivable	12,846	8,445
Insurance receivable – current portion	8,332	7,211
Inventory	6,263	5,686
Securities litigation insurance receivable	—	31,538
Other	5,546	4,118
Other current assets	$ 203,247	$ 240,293

6. Property and Equipment

Property and equipment consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Land	$ 231,801	$ 220,275
Building and improvements	3,145,739	2,873,101
Equipment	539,188	508,188
Construction in progress	267,007	515,380
	4,183,735	4,116,944
Less: accumulated depreciation	(1,093,934)	(1,005,732)
Property and equipment, net	$ 3,089,801	$ 3,111,212

During the three and six months ended June 30, 2026, the Company recorded a non-cash property impairment charge of $7.4 million, which is included in loss on impairment in the condensed consolidated statements of income. During the three and six months ended June 30, 2025, the Company recorded a non-cash property impairment charge of $0.6 million, which is included in loss on impairment in the condensed consolidated statements of income.

The Company has recorded assets held for sale within other current assets on the condensed consolidated balance sheets for closed properties actively marketed of $52.6 million and $60.4 million at June 30, 2026 and December 31, 2025, respectively.

7. Goodwill and Other Intangible Assets

Goodwill

The changes in goodwill during 2025 and 2026 are as follows (in thousands):

Balance at January 1, 2025	$ 2,264,851
Increase from acquisitions	27,691
Decrease from impairment of goodwill	(996,200)
Balance at December 31, 2025	1,296,342
Increase from acquisitions	6,930
Balance at June 30, 2026	$ 1,303,272

Other Intangible Assets

Other identifiable intangible assets consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Licenses and accreditations	$ 11,778	$ 11,788
Trade names	58,227	54,726
Certificates of need	30,181	30,158
Total	$ 100,186	$ 96,672

All of the Company’s definite-lived intangible assets are fully amortized. The Company’s licenses and accreditations, trade names and certificates of need have indefinite lives and are, therefore, not subject to amortization.

8. Commitments and Contingencies

Professional and General Liability

The Company is subject to medical malpractice and other lawsuits due to the nature of the services the Company provides. A portion of the Company’s professional liability risks are insured through a wholly-owned insurance subsidiary providing coverage for up to $10.0 million per claim, $15.0 million for certain other claims and $25.0 million for certain batched claims through August 31, 2025 and $15.0 million per claim and $25.0 million for certain batched claims thereafter. The Company has obtained reinsurance coverage from a third-party to cover claims in excess of those limits. The reinsurance policy has a coverage limit of $80.0 million or $75.0 million in the aggregate for certain other claims through August 31, 2025 and $75.0 million in the aggregate for claims thereafter, with exclusions for certain types of incidents. The Company’s reinsurance receivables are recognized consistent with the related liabilities and include known claims and any incurred but not reported claims that are covered by current insurance policies in place.

The reserve for professional and general liability risks was estimated based on historical claims, prior settlements and judgments, industry trends, severity factors, and other actuarial assumptions. The estimated accrual for professional and general liabilities could be significantly affected should current and future occurrences differ from historical claim trends and expectations. While claims are monitored closely when estimating professional and general liability accruals, the complexity of the claims and wide range of potential outcomes often hampers timely adjustments to the assumptions used in these estimates. The Company recorded an unfavorable actuarial adjustment of $28.6 million to its estimated liability for self-insured professional and general liability claims during the three and six months ended June 30, 2026, relating to the settlement or expected settlement of certain prior year claims. In particular, the unfavorable actuarial adjustment recorded during the three and six months ended June 30, 2026 was driven by higher expected settlement costs for claims related to the policy year ended August 31, 2025. The professional and general liability reserve was $224.7 million at June 30, 2026, of which $50.3 million was included in other accrued liabilities and $174.3 million was included in other long-term liabilities. The professional and general liability reserve was $181.8 million at December 31, 2025, of which $31.4 million was included in other accrued liabilities and $150.4 million was included in other long-term liabilities. The Company estimates receivables for the portion of professional and general liability reserves that are recoverable under the Company's insurance policies. Such receivable was $33.3 million at June 30, 2026, of which $8.3 million was included in other current assets and $25.0 million was included in other assets, and such receivable was $28.8 million at December 31, 2025, of which $7.2 million was included in other current assets and $21.6 million was included in other assets.

Legal Proceedings

The Company is, from time to time, subject to various claims, lawsuits, governmental investigations and regulatory actions, including claims for damages for personal injuries, medical malpractice, overpayments, breach of contract, securities law violations, and tort and employment related claims. In these actions, plaintiffs request a variety of damages, including, in some instances, punitive and other types of damages that may not be covered by insurance. In addition, healthcare companies are subject to numerous investigations by various governmental agencies. Certain of the Company's individual facilities have received, and from time to time, other facilities may receive, subpoenas, civil investigative demands, audit requests and other inquiries from, and may be subject to investigation by, federal and state agencies. These investigations can result in repayment obligations, and violations of the federal False Claims Act can result in substantial monetary penalties and fines, the imposition of a corporate integrity agreement and exclusion from participation in governmental health programs. In addition, the False Claims Act permits private parties to bring qui tam, or "whistleblower," suits against companies that submit false claims for payments to, or improperly retain overpayments from, the government. Some states have adopted similar state whistleblower and false claims provisions.

Desert Hills

From October 2018 to August 2020, the Company, its subsidiary Youth and Family Centered Services of New Mexico, Inc. ("Desert Hills"), and FamilyWorks, a not-for-profit treatment foster care program to which Desert Hills provided management services, including day-to-day administration of the program, via a management services agreement, were among a number of defendants named in five lawsuits (collectively, the "Desert Hills Litigation") filed in New Mexico State District Court (the "District Court"). These lawsuits each related to abuse by a foster parent, Clarence Garcia, that occurred in foster homes where FamilyWorks had placed children. In 2021, the Company finalized out-of-court settlements for two of the five cases for amounts covered under the Company's professional liability insurance: *Dorsey, as Guardian ad Litem of M.R. v. Clarence Garcia, et al.* (the "M.R. case"), and *Higgins, as Guardian ad Litem of J.H. v. Clarence Garcia, et al* (the "J.H. case"). While the plaintiffs in those two cases had claims pending against FamilyWorks, and FamilyWorks had raised claims or potential claims against the Company, the parties in each of those cases finalized settlements that resolved all claims between FamilyWorks and the Company. The District Court approved the settlement in the J.H. case on June 10, 2024 and the settlement in the M.R. case on August 12, 2024.

On July 7, 2023, in connection with one of the lawsuits in the Desert Hills Litigation styled *Inman v. Garcia, et al., Case No. D-117-CV-2019-00136* (the "Inman Litigation"), a jury awarded the plaintiff compensatory damages of $80.0 million and punitive damages of $405.0 million. This award far exceeded the Company's reasonable expectation based on the previously resolved complaints and far exceeded any precedent for comparable cases.

On October 30, 2023, the Company and Desert Hills entered into settlement agreements in connection with the Inman Litigation, as well as two other related cases – *Rael v. Garcia, et al., Case No. D-117-CV-2019-00135* and *Endicott-Quinones v. Garcia, et al., Case No. D-117-CV-2019-00137* (together with the Inman Litigation, the "Cases").

The settlement agreements for the Cases were approved by the District Court in December 2023 and fully resolve each of the Cases with no admission of liability or wrongdoing by either the Company or Desert Hills. On January 19, 2024, pursuant to the terms of the settlement agreements, the Company paid an aggregate amount of $400.0 million in exchange for the release and discharge of all claims arising from, relating to, concerning or with respect to all harm, injuries or damages asserted in the Cases or that may be asserted in the future by the plaintiffs in the Cases.

On January 30, 2024, a sixth lawsuit styled *CNRAG, Inc. as Legal Guardian of A.C. v. Garcia et al., No. D-117-CV-2024-00045* was filed in the District Court alleging similar claims as the previous five lawsuits in the Desert Hills Litigation. The ward in this sixth lawsuit was referenced in prior criminal charges against Garcia in January 2019; however, prior to this lawsuit, neither the ward nor guardian made contact with the Company about a possible claim. The Company determined that a lawsuit from this plaintiff was unlikely because no claims had ever been asserted and the statute of limitations had expired. Plaintiff's allegations assert certain claims, which, if true, may toll the statute of limitations. At this time, the Company is not able to reasonably estimate the amount or range of the ultimate liability, if any, in connection with this sixth lawsuit. No additional victims are referenced in the prior criminal charges against Garcia.

Securities Litigation

On April 1, 2019, a consolidated complaint was filed against the Company and certain former and current officers in the lawsuit styled *St. Clair County Employees' Retirement System v. Acadia Healthcare Company, Inc., et al., Case No. 3:19-cv-00988,* which was pending in the United States District Court for the Middle District of Tennessee (the "2019 Securities Litigation"). The complaint is brought on behalf of a class consisting of all persons (other than defendants) who purchased securities of the Company between April 30, 2014, and November 15, 2018, and alleges that defendants violated Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and Rule 10b-5 promulgated thereunder. On September 30, 2022, the court entered an order certifying a class consisting of all persons who purchased or otherwise acquired the common stock of the Company between April 30, 2014, and November 15, 2018. On November 24, 2025, the parties entered into a stipulation of settlement of the matter pursuant to which defendants agreed to pay $179.0 million in exchange for a release of liability, $31.5 million of which was eligible for reimbursement under the Company's insurance coverage, the receivable for which was included in other current assets on the condensed consolidated balance sheet as of December 31, 2025. The Company received the $31.5 million of insurance proceeds during the six months ended June 30, 2026. On April 29, 2026, the court entered an order approving the settlement and dismissing the case with prejudice.

On July 10, 2025, a consolidated class action complaint was filed against the Company and certain former and current officers in the consolidated lawsuit styled *Kachrodia v. Acadia Healthcare Company, Inc., et al*., *Case No. 3:24-cv-01238*, which is pending in the United States District Court for the Middle District of Tennessee. The complaint is brought on behalf of a putative class consisting of all persons (other than defendants) who purchased or otherwise acquired publicly traded securities of the Company between February 8, 2020 and February 27, 2025. The complaint alleges that defendants violated Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. Defendants filed a motion to dismiss the consolidated complaint on September 8, 2025. On July 24, 2026, the court issued an order denying the motion to dismiss. At this time, the Company is not able to reasonably estimate the amount or range of the ultimate liability, if any, in connection with this action.

Derivative Actions

On February 21, 2019, a purported stockholder filed a related derivative action on behalf of the Company against certain former and current officers and directors in the lawsuit styled *Davydov v. Jacobs, et al., Case No. 3:19-cv-00167*, which is pending in the United States District Court for the Middle District of Tennessee. The complaint alleges claims for violations of Section 10(b) and 14(a) of the Exchange Act, breach of fiduciary duty, waste of corporate assets, and unjust enrichment. On May 23, 2019, a purported stockholder filed a second related derivative action on behalf of the Company against certain former and current officers and directors in the lawsuit styled *Beard v. Jacobs, et al., Case No. 3:19-cv-0441*, which is pending the United States District Court for the Middle District of Tennessee. The complaint alleges claims for violations of Sections 10(b), 14(a), and 21D of the Exchange Act, breach of fiduciary duty, waste of corporate assets, unjust enrichment, and insider selling. On June 11, 2019, the Davydov and Beard actions were consolidated. On February 22, 2021, the court entered an order staying the case. On October 23, 2020, a purported stockholder filed a third related derivative action on behalf of the Company against former and current officers and directors in the lawsuit styled *Pfenning v. Jacobs, et al., Case No. 2020-0915-NAC*, which is pending in the Court of Chancery of the State of Delaware. The complaint alleges claims for breach of fiduciary duty. On February 17, 2021, the court entered an order staying the case. On February 24, 2021, a purported stockholder filed a fourth derivative action on behalf of the Company against former and current officers and directors in the lawsuit styled *Solak v. Jacobs, et al., Case No. 2021-0163-NAC*, which is pending in the Court of Chancery of the State of Delaware. The complaint alleges claims for breach of fiduciary duty, unjust enrichment, waste of corporate assets, and insider selling. The parties to these derivative cases have reached a settlement in principle of all of the cases. The settlement is subject to finalization in a stipulation of settlement, which is subject to both preliminary and final court approval proceedings. Based on the terms of the settlement in principle, the Company does not expect to incur a material loss.

On February 14, 2025, a purported stockholder filed a related derivative action on behalf of the Company against certain former and current officers and directors in the lawsuit styled *Kachrodia v. Osteen, et al., Case No. 3:25-cv-00172*, which is pending in the United States District Court for the Middle District of Tennessee. The complaint alleges claims for violations of Section 10(b) and 21D of the Exchange Act, breach of fiduciary duty, insider selling, unjust enrichment, and waste of corporate assets. Based on the nature of the action, the Company does not expect to incur a material loss.

Government Investigations

In September 2024, the Company received a grand jury subpoena from the United States District Court for the Western District of Missouri (the "W.D.Mo."), issued by attorneys from the Criminal Division of the U.S. Department of Justice (the "DOJ Criminal Division"), related to the Company's acute care service line and related admissions, length of stay and billing practices. In addition, Lakeland Hospital Acquisition, LLC, a subsidiary of the Company, also received a grand jury subpoena from the W.D.Mo. on the same day regarding similar subject matter. The Company had also received requests in September 2024 for information on similar subject matter from the United States Attorney's Office for the Southern District of New York, which were withdrawn in the same month. The investigation is being led by attorneys from the DOJ Criminal Division. The DOJ Criminal Division withdrew its subpoenas in October 2024, then re-issued subpoenas regarding the same subject matter in December 2024. The DOJ Criminal Division is leading and coordinating the efforts from a number of federal agencies and departments investigating such issues, any of which might later make their own requests for information. The Company has also received subpoenas from the SEC requesting similar information as well as information relating to the CTC service line. The Company is currently conducting a comprehensive internal investigation using external advisors, but, at this time, no findings or conclusions have been made. The Company is fully cooperating with authorities, including active engagement with the DOJ Criminal Division and the SEC. At this time, the Company cannot speculate on whether the outcome of these investigations will have any impact on its business or operations and cannot reasonably estimate the amount or range of the ultimate liability, if any, in connection with these investigations.

Certain members of the United States Congress have requested, and such members or other members may in the future request, information from or about the Company related to, among other things, the Company's admissions, length of stay, billing practices, and opioid treatment programs. The Company intends to cooperate with any such request. At this time, the Company cannot speculate on the outcome or duration of any such inquiries.

Sandoval Litigation

In October 2020, a civil action asserting wrongful death and negligence claims was filed against the Company in California state court following a patient death at a California subsidiary facility *(Sandoval v. Acadia Healthcare Company, Inc., Marin County Super. Ct. No. CIV1802171)* (the "Sandoval Litigation"). Following a jury trial, judgment was entered against the Company, and the Company subsequently appealed. In April 2026, the judgment was affirmed in substantial part. Thereafter, the Company entered into settlement negotiations and reached an agreement in principle to resolve all remaining claims for an aggregate payment of $15.0 million, with no admission of liability or wrongdoing by the Company, subject to the execution of definitive settlement documentation.

The Company maintains a primary insurance policy and an excess insurance policy applicable to the Sandoval Litigation, subject to applicable policy terms, limits, retentions, and exclusions, but the excess insurance policy for the relevant policy year was exhausted in its entirety by prior losses, leaving the portion of the loss in excess of the primary policy uninsured. The amount of the settlement in excess of the primary policy totals $13.8 million, which is included in legal settlements expense in the condensed consolidated statements of income for the six months ended June 30, 2026. The Company has recorded amounts that management believes are appropriate for this matter, including an accrual reflecting the portion of the proposed settlement not expected to be recoverable under available insurance coverage.

Fashion Valley

On January 18, 2024, a complaint alleging employment-related claims was filed against San Diego Health Alliance, Inc. d/b/a Fashion Valley Comprehensive Treatment Center ("Fashion Valley"), an indirect subsidiary of the Company operating a comprehensive treatment center, in the lawsuit styled *Michelle Giaquinta v. San Diego Health Alliance (Case No. 37-2024-00002653)* in the Superior Court of San Diego County, California. The complaint was brought by a former employee of Fashion Valley who was terminated in October 2023 and alleged claims of retaliatory termination. Fashion Valley vehemently denied the allegations and asserted the plaintiff was terminated for legitimate reasons.

The case went to trial in late April 2026, and on May 12, 2026, a jury awarded the plaintiff compensatory damages of $35.0 million and punitive damages of $70.0 million. This award far exceeds any reasonable expectation based on precedent for comparable employment cases. The Company, which is not a party to the lawsuit, and Fashion Valley strongly disagree with the verdict and remain confident in Fashion Valley's legal position based on the underlying facts of the case. Fashion Valley is evaluating all legal options and intends to vigorously challenge the verdict in post-trial motions and, if necessary, on appeal. The Company can make no assurances regarding the ultimate outcome of the case or whether the damages awarded by the jury will ultimately be reduced.

9. Other Accrued Liabilities

Other accrued liabilities consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Insurance liability – current portion	$ 50,339	$ 31,396
Accrued expenses	34,482	40,506
Accrued interest	29,694	29,943
Accrued legal settlements	24,603	3,032
Accrued property taxes	16,665	13,531
Contract liabilities	3,181	2,805
Finance lease liabilities	1,089	1,089
Other	11,488	14,253
Other accrued liabilities	$ 171,541	$ 136,555

10. Long-Term Debt

Long-term debt consisted of the following (in thousands):

	June 30, 2026	December 31, 2025
Credit Facility:		
Term Loan A	$ 625,625	$ 637,813
Revolving Line of Credit	329,000	404,000
5.500% Senior Notes due 2028	450,000	450,000
5.000% Senior Notes due 2029	475,000	475,000
7.375% Senior Notes due 2033	550,000	550,000
Less: unamortized debt issuance costs, discount and premium	(15,056)	(16,846)
	2,414,569	2,499,967
Less: current portion	(32,500)	(28,438)
Long-term debt	$ 2,382,069	$ 2,471,529

Credit Facility

On February 28, 2025 (the "Credit Facility Closing Date"), the Company entered into a new credit agreement (the "Credit Agreement"), which provides for a $1.0 billion senior secured revolving credit facility (including a $50.0 million sublimit for the issuance of letters of credit and a $50.0 million swingline subfacility) (the "Revolving Facility") and a $650.0 million senior secured term loan facility (the "Term Loan Facility," and, together with the Revolving Facility, the "Credit Facility"), each maturing on February 28, 2030.

On the Credit Facility Closing Date, the full $650.0 million amount of the Term Loan Facility was funded, and $550.0 million was funded under the Revolving Facility, which amounts were used, among other things, to refinance the outstanding obligations under the Prior Credit Facility (as defined below).

Borrowings under the Credit Agreement bear interest at a floating rate equal to, at the Company's option, either (i) a Secured Overnight Financing Rate ("SOFR") -based rate plus a margin ranging from 1.375% to 2.250% or (ii) a base rate plus a margin ranging from 0.375% to 1.250%, in each case, depending on the Company's Consolidated Total Net Leverage Ratio (as defined in the Credit Agreement). In addition, an unused fee that varies according to the Company's Consolidated Total Net Leverage Ratio ranging from 0.200% to 0.350% is payable quarterly in arrears based on the average daily undrawn portion of the commitments in respect of the Revolving Facility. The Term Loan Facility requires quarterly principal repayments of $8.1 million through March 31, 2028, $12.2 million from June 30, 2028 to March 31, 2029 and $16.3 million from June 30, 2029 to December 31, 2029, with the remaining outstanding principal balance of the Term Loan Facility due on the maturity date of February 28, 2030.

The Company has the ability to increase the amount of the Credit Facility, which may take the form of increases to the Revolving Facility or the Term Loan Facility or the issuance of one or more incremental term loan facilities (collectively, the "Incremental Facilities"), upon obtaining additional commitments from new or existing lenders and the satisfaction of certain customary conditions precedent for such Incremental Facilities. Such Incremental Facilities may not exceed the sum of (i) the greater of $710.0 million and an amount equal to 100% of the LTM Consolidated EBITDA (as defined in the Credit Agreement) of the

Company at the time of determination and (ii) additional amounts that would not cause the Company's Consolidated Senior Secured Net Leverage Ratio (as defined in the Credit Agreement) to exceed 4.0 to 1.0.

Subject to certain exceptions, substantially all of the Company's existing and subsequently acquired or organized direct and indirect wholly-owned U.S. subsidiaries are required to guarantee the repayment of the Company's obligations under the Credit Agreement. The obligations of the Company and such guarantor subsidiaries are secured by a pledge of substantially all assets of the Company and such guarantor subsidiaries (excluding all real property and certain other customarily excluded assets).

The Credit Agreement contains customary representations and warranties and affirmative and negative covenants, including limitations on the ability of the Company and its subsidiaries to: (i) incur debt; (ii) permit additional liens; (iii) make investments and acquisitions; (iv) merge or consolidate with others; (v) dispose of assets; (vi) pay dividends and distributions; (vii) pay junior indebtedness; and (viii) enter into affiliate transactions, in each case, subject to customary exceptions. In addition, the Credit Agreement contains financial covenants requiring the Company to maintain, on a consolidated basis as of the last day of each quarterly period, a Consolidated Total Net Leverage Ratio of not more than 5.0 to 1.0 (which may be increased in connection with a material acquisition to 5.5 to 1.0 for a four quarter period up to three times during the term of the Credit Agreement) and a Consolidated Interest Coverage Ratio (as defined in the Credit Agreement) of at least 3.0 to 1.0. The Credit Agreement also includes events of default customary for facilities of this type and upon the occurrence of such events of default, among other things, all outstanding loans under the Credit Agreement may be accelerated, lenders commitments terminated, and/or the lenders may exercise collateral remedies. At June 30, 2026, the Company was in compliance with all financial covenants.

During the six months ended June 30, 2026, the Company borrowed $85.0 million on the Revolving Facility and repaid $160.0 million of the balance outstanding.

At June 30, 2026, the Company had $669.8 million of availability under the Revolving Facility and had standby letters of credit outstanding of $1.2 million related to security for multiple development projects.

Prior Credit Facility

On March 17, 2021, the Company entered into a credit agreement (as amended, the "Prior Credit Facility"), which provided for a $600.0 million senior secured revolving credit facility (the "Prior Revolving Facility") and a senior secured term loan facility in an initial principal amount of $425.0 million, which amount was later increased by $350.0 million (as increased, the "Prior Term Loan Facility"), each of which was scheduled to mature on March 17, 2026. The Prior Revolving Facility further provided for a $20.0 million subfacility for the issuance of letters of credit.

During the six months ended June 30, 2025, the Company borrowed $115.0 million on the Prior Revolving Facility and repaid $485.0 million of the balance outstanding prior to February 28, 2025, when the Prior Credit Facility was refinanced in connection with entering into the Credit Facility.

On February 28, 2025, the Company refinanced the Prior Credit Facility by using the proceeds of the Credit Facility to repay the outstanding balances of the Prior Term Loan Facility and the Prior Revolving Facility, which totaled $670.9 million and $485.0 million, respectively. In connection therewith, the Company recorded a loss on extinguishment of $1.3 million, which is included in debt extinguishment costs in the condensed consolidated statements of income.

Senior Notes

5.500% Senior Notes due 2028

On June 24, 2020, the Company issued $450.0 million of 5.500% Senior Notes due 2028 (the "5.500% Senior Notes"). The 5.500% Senior Notes mature on July 1, 2028 and bear interest at a rate of 5.500% per annum, payable semi-annually in arrears on January 1 and July 1 of each year.

5.000% Senior Notes due 2029

On October 14, 2020, the Company issued $475.0 million of 5.000% Senior Notes due 2029 (the "5.000% Senior Notes"). The 5.000% Senior Notes mature on April 15, 2029 and bear interest at a rate of 5.000% per annum, payable semi-annually in arrears on April 15 and October 15 of each year.

7.375% Senior Notes due 2033

On March 10, 2025, the Company issued $550.0 million of 7.375% Senior Notes due 2033 (the "7.375% Senior Notes"). The 7.375% Senior Notes mature on March 15, 2033 and bear interest at a rate of 7.375% per annum, payable semi-annually in arrears on March 15 and September 15 of each year. The net proceeds from the issuance and sale of the 7.375% Senior Notes, together with cash on hand, were used to pay down $550.0 million of outstanding borrowings under the Revolving Facility.

The indentures governing the 5.500% Senior Notes, the 5.000% Senior Notes and the 7.375% Senior Notes (together, the "Senior Notes") contain covenants that, among other things, limit the Company's ability and the ability of its restricted subsidiaries to: (i) pay dividends, redeem stock or make other distributions or investments; (ii) incur additional debt or issue certain preferred stock; (iii) transfer or sell assets; (iv) engage in certain transactions with affiliates; (v) create restrictions on dividends or other payments by the restricted subsidiaries; (vi) merge, consolidate or sell substantially all of the Company's assets; and (vii) create liens on assets.

The Senior Notes issued by the Company are guaranteed by each of the Company's subsidiaries that guarantee the Company's obligations under the Credit Agreement. The guarantees are full and unconditional and joint and several.

The Company may redeem the Senior Notes at its option, in whole or part, at the dates and amounts set forth in the applicable indentures.

11. Noncontrolling Interests

Noncontrolling interests in the condensed consolidated financial statements represent the portion of equity held by noncontrolling partners in the Company's non-wholly owned subsidiaries. At June 30, 2026, the Company operated 19 facilities through non-wholly owned subsidiaries. The Company owns between approximately 65% and 90% of the equity interests of these entities and noncontrolling partners own the remaining equity interests. The initial value of the noncontrolling interests is based on the fair value of contributions. The Company consolidates the operations of each facility based on its status as primary beneficiary, as further discussed in Note 12 – Variable Interest Entities. The noncontrolling interests are reflected as redeemable noncontrolling interests on the accompanying condensed consolidated balance sheets based on put rights that could require the Company to purchase the noncontrolling interests upon the occurrence of a change in control.

The components of redeemable noncontrolling interests are as follows (in thousands):

Balance at January 1, 2025	$	117,116
Contributions from noncontrolling partners in joint ventures		67,504
Net income attributable to noncontrolling interests		10,849
Distributions to noncontrolling partners in joint ventures		(3,877)
Balance at December 31, 2025		191,592
Contributions from noncontrolling partners in joint ventures		22,035
Net income attributable to noncontrolling interests		1,691
Distributions to noncontrolling partners in joint ventures		(2,593)
Balance at June 30, 2026	$	212,725

12. Variable Interest Entities

For legal entities where the Company has a financial relationship, the Company evaluates whether it has a variable interest and determines if the entity is considered a variable interest entity ("VIE"). If the Company concludes an entity is a VIE and the Company is the primary beneficiary, the entity is consolidated. The primary beneficiary analysis is a qualitative analysis based on power and benefits. A reporting entity has a controlling financial interest in a VIE and must consolidate the VIE if it has both power and benefits. It must have the power to direct the activities that most significantly impact the VIE's economic performance and the obligation to absorb losses of the VIE that potentially could be significant to the VIE or the right to receive benefits from the VIE that potentially could be significant to the VIE.

At June 30, 2026, the Company operated 19 facilities through non-wholly owned subsidiaries. The Company owns between approximately 65% and 90% of the equity interests of these entities, and noncontrolling partners own the remaining equity interests. The Company manages each of these facilities, is responsible for the day to day operations and, therefore, has the power to direct the activities that most significantly impact the VIE's economic performance and the obligation to absorb losses or receive benefits from the VIE that could potentially be significant to the VIE. These activities include, but are not limited to, behavioral healthcare services, human resource and employment-related decisions, marketing and finance. The terms of the agreements governing each of the Company's VIEs prohibit the Company from using the assets of each VIE to satisfy the obligations of other entities. Consolidated assets at June 30, 2026 and December 31, 2025 include total assets of variable interest entities of $1,413.9 million and $1,344.8 million, respectively, which cannot be used to settle the obligations of other entities. Consolidated liabilities at June 30, 2026 and December 31, 2025 include total liabilities of variable interest entities of $58.2 million and $49.6 million, respectively.

The consolidated VIE assets and liabilities in the Company's condensed consolidated balance sheets are shown below (in thousands):

	June 30, 2026	December 31, 2025
Cash and cash equivalents	$ 155,715	$ 134,789
Accounts receivable, net	60,192	54,810
Other current assets	21,869	25,106
Total current assets	237,776	214,705
Property and equipment, net	1,047,717	1,011,578
Goodwill	68,197	61,267
Intangible assets, net	48,818	45,318
Operating lease right-of-use assets	11,431	11,934
Total assets	$ 1,413,939	$ 1,344,802
Accounts payable	$ 13,083	$ 11,798
Accrued salaries and benefits	17,994	17,562
Current portion of operating lease liabilities	784	696
Other accrued liabilities	17,606	10,541
Total current liabilities	49,467	40,597
Operating lease liabilities	8,694	9,044
Total liabilities	$ 58,161	$ 49,641

13. Equity-Based Compensation

Equity Incentive Plans

The Company issues stock-based awards, including stock options, restricted stock awards and performance stock units, to certain officers, employees and non-employee directors under the Acadia Healthcare Company, Inc. Amended and Restated Incentive Compensation Plan (the "Equity Incentive Plan"). At June 30, 2026, a maximum of 18,175,000 shares of the Company's common stock were authorized for issuance as stock options, restricted stock awards and performance stock units or other share-based compensation under the Equity Incentive Plan, of which 4,774,690 were available for future grant. Stock options may be granted for terms of up to ten years. The Company recognizes expense on all share-based awards on a straight-line basis over the requisite service period of the entire award. Grants to employees generally vest in annual increments of 25% or 33% each year, commencing one year after the date of grant. The exercise prices of stock options are equal to the closing price of the Company's common stock on the most recent trading date prior to the date of grant.

The Company recognized $11.0 million and $10.5 million in equity-based compensation expense for the three months ended June 30, 2026 and 2025, respectively, and $18.9 million and $19.2 million for the six months ended June 30, 2026 and 2025, respectively. Stock compensation expense for the three and six months ended June 30, 2026 and 2025 is impacted by forfeiture adjustments. Stock compensation expense for the six months ended June 30, 2025 is also impacted by performance stock unit adjustments based on actual performance compared to vesting targets. At June 30, 2026, there was $59.8 million of unrecognized compensation expense related to unvested options, restricted stock awards and performance stock units, which is expected to be recognized over the remaining weighted-average vesting period of 1.0 year.

The Company recognized a deferred income tax benefit of $2.9 million for both the three months ended June 30, 2026 and 2025, and $5.1 million and $5.2 million for the six months ended June 30, 2026 and 2025, respectively, related to equity-based compensation expense.

Stock Options

Stock option activity during 2025 and 2026 was as follows:

	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value (in thousands)
Options outstanding at January 1, 2025	695,021	$ 57.45		
Options granted	—	—		
Options exercised	—	—		
Options cancelled	(185,610)	55.00		
Options outstanding at December 31, 2025	509,411	58.34		
Options granted	1,125,000	11.68		
Options exercised	—	—		
Options cancelled	(42,605)	63.21		
Options outstanding at June 30, 2026	1,591,806	$ 25.23	8.28	$ 20,120
Options exercisable at June 30, 2026	672,467	$ 39.34	6.71	$ 4,501

On January 20, 2026, the Company granted a one-time option award to the Company's Chief Executive Officer, Debra K. Osteen (the "CEO Award"). The CEO Award will vest in six tranches based on service and the achievement of market conditions, subject to continued employment through January 20, 2027. The various stock price metrics will be achieved when the 30-day volume weighted-average price equals or exceeds the respective price target on any day during the grantee's employment or during the two years thereafter, subject to certain conditions.

The fair value of the CEO Award was determined using a Monte Carlo simulation. Equity-based compensation expense is recognized on a straight-line basis over the requisite one-year service period. The following table summarizes the grant-date fair value of the CEO Award and the assumptions used to develop the fair value estimates:

Weighted average grant-date fair value of options granted under the CEO Award	$ 7.50
Strike price	$ 11.68
Expected volatility	42.0%
Dividend yield	0.0%
Expected life (in years)	1.8 - 5.4
Risk free interest rate	4.4% - 4.7%

Since the CEO Award was granted in proximity to the disclosure of Ms. Osteen's appointment as Chief Executive Officer, management exercised judgment to determine the current price input used in the valuation of the CEO Award, considering the impact of the disclosure of her appointment on the Company's stock price. The Company's estimate of expected volatility is based upon the volatility of its stock price over the term of the award. The Company's expected dividend yield is zero, as the Company has not declared and does not currently intend to declare dividends in the foreseeable future. The expected life is an estimate of the number of years before the market price conditions are satisfied. The risk-free interest rate is the approximate yield per the U.S. constant maturity yield curve corresponding to the remaining term as of the date the market price conditions are satisfied.

Other Stock-Based Awards

Restricted stock awards activity during 2025 and 2026 was as follows:

	Number of Shares		Weighted Average Grant-Date Fair Value
Unvested at January 1, 2025	1,145,418	$	71.31
Granted	1,556,470		26.86
Cancelled	(482,196)		46.15
Vested	(457,275)		68.13
Unvested at December 31, 2025	1,762,417	$	39.76
Granted	1,393,679		25.01
Cancelled	(416,530)		31.23
Vested	(524,416)		46.51
Unvested at June 30, 2026	2,215,150	$	30.49

Performance stock unit activity during 2025 and 2026 was as follows:

	Number of Units		Weighted Average Grant-Date Fair Value
Unvested at January 1, 2025	291,518	$	71.47
Granted	228,923		22.81
Performance adjustment	(57,710)		70.33
Cancelled	(146,303)		47.61
Vested	(66,676)		73.96
Unvested at December 31, 2025	249,752	$	40.44
Granted	96,309		27.20
Performance adjustment	—		—
Cancelled	(186,026)		28.11
Vested	(56,425)		69.61
Unvested at June 30, 2026	103,610	$	34.39

Restricted stock awards are time-based vesting awards that vest over a period of three or four years and are subject to continuing service of the employee or non-employee director over the ratable vesting periods. The fair values of the restricted stock awards were determined based on the closing price of the Company’s common stock on the trading date immediately prior to the grant date.

Performance stock units are granted to employees and are subject to Company performance compared to pre-established targets. In addition to Company performance, these performance-based stock units are generally subject to the continuing service of the employee during the three-year period covered by the awards. The performance conditions for the performance stock units are based on the Company’s achievement of annually established targets for one- to three-year cumulative diluted earnings per share, adjusted earnings before interest, income taxes, depreciation and amortization, revenue and/or non-financial clinical excellence measurements. The number of shares issuable at the end of the applicable vesting period of performance stock units ranges from 0% to 200% of the targeted units based on the Company’s actual performance compared to the targets.

The fair values of performance stock units were determined based on the closing price of the Company’s common stock on the trading date immediately prior to the grant date for units subject to performance conditions.

14. Share Repurchase Program

On February 25, 2025, the Company’s board of directors authorized a share repurchase program (the “Share Repurchase Program”) pursuant to which the Company may, from time to time, acquire up to $300.0 million of outstanding shares of its common stock, exclusive of any fees, commissions, or other expenses related to such repurchases. Repurchases made pursuant to the Share Repurchase Program will be made in accordance with applicable securities laws and may be made at management’s discretion from time to time in the open market, in privately negotiated transactions, or through block trades, derivatives transactions, or purchases made in accordance with Rule 10b-18 and Rule 10b5-1 of the Exchange Act. The Share Repurchase Program has no termination date and may be modified, suspended or discontinued by the Company's board of directors at any time. The authorization does not obligate the Company to repurchase any shares. During the three and six months ended June 30, 2026, there were no repurchases under the Share Repurchase Program. During the three and six months ended June 30, 2025, the Company repurchased 103,939 shares and 1,706,625 shares, respectively, of its common stock under the Share Repurchase Program that were each cancelled at the time of repurchase for a total of $3.2 million and $50.4 million, respectively. As of June 30, 2026, there was $250.0 million of authorization remaining under the Share Repurchase Program.

15. Transaction, Legal and Other Costs

Transaction, legal and other costs represent costs primarily related to legal, accounting, government investigation, termination, restructuring, management transition, acquisition and other similar costs. Transaction, legal and other costs comprised the following costs for the three and six months ended June 30, 2026 and 2025 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Government investigations	$ 7,471	$ 53,526	$ 19,893	$ 84,538
Termination and restructuring costs	5,784	10,074	10,746	12,239
Legal, accounting and other acquisition-related costs	9,324	825	10,040	(1,280)
Management transition costs	—	—	3,913	—
Total	$ 22,579	$ 64,425	$ 44,592	$ 95,497

Government investigations include legal fees and settlement costs related to certain litigation, including the matters referenced in Note 8 – Commitments and Contingencies. Termination and restructuring costs include costs, net of gains, incurred related to workforce reductions, contract amendments, and the closure and disposition of certain facilities, including related lease terminations. Legal, accounting and other acquisition-related costs include costs incurred for the development of new facilities ($0.2 million and $0.4 million for the three months ended June 30, 2026 and 2025, respectively, and $0.3 million and $1.3 million for the six months ended June 30, 2026 and 2025, respectively); legal and settlement costs incurred related to certain litigation not included in government investigations ($9.1 million and $0.4 million for the three months ended June 30, 2026 and 2025, respectively, and $9.7 million and $(2.6) million for the six months ended June 30, 2026 and 2025, respectively). Management transition costs during the six months ended June 30, 2026, consist primarily of severance benefits incurred with the departure of the Company's former Chief Executive Officer, Christopher H. Hunter.

16. Income Taxes

The provision for income taxes for the three months ended June 30, 2026 and 2025 reflects effective tax rates of 44.3% and 24.1%, respectively, and 49.3% and 26.0% for the six months ended June 30, 2026 and 2025, respectively. The increase in the effective tax rate for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 was primarily attributable to an increase in nondeductible legal settlements and an increase in valuation allowances against certain state deferred tax assets in the current year.

As the Company continues to monitor the implications of potential tax legislation in each of its jurisdictions, the Company may adjust estimates and record additional amounts for tax assets and liabilities. Any adjustments to the Company's tax assets and liabilities could materially impact the provision for income taxes and its effective tax rate in the periods in which they are made.

17. Fair Value Measurements

The carrying amounts reported for cash and cash equivalents, accounts receivable, other current assets, accounts payable and other current liabilities approximate fair value because of the short-term maturity of these instruments.

The carrying amounts and fair values of the Credit Facility and the Senior Notes at June 30, 2026 and December 31, 2025 were as follows (in thousands):

	Carrying Amount		Fair Value	
	June 30, 2026	December 31, 2025	June 30, 2026	December 31, 2025
Credit Facility	$ 951,114	$ 1,037,816	$ 951,114	$ 1,037,816
5.500% Senior Notes due 2028	$ 447,876	$ 447,382	$ 444,607	$ 443,400
5.000% Senior Notes due 2029	$ 472,372	$ 471,946	$ 464,531	$ 453,540
7.375% Senior Notes due 2033	$ 543,207	$ 542,823	$ 559,069	$ 545,537

The Credit Facility and the Senior Notes were categorized as Level 2 in the GAAP fair value hierarchy. Fair values were based on trading activity among the Company's lenders and the average bid and ask price as determined using published rates.

18. Segments

The Company has one reportable segment, behavioral healthcare services. The behavioral healthcare services segment provides inpatient and outpatient behavioral healthcare services. The Company derives revenue from 40 states and Puerto Rico and manages business activities on a consolidated basis. Revenue is primarily derived from services rendered to patients for inpatient psychiatric and substance abuse care, outpatient psychiatric care and adolescent residential treatment.

The Company's Chief Operating Decision Maker ("CODM") is the Chief Executive Officer. The CODM assesses performance for the behavioral healthcare services segment and decides how to allocate resources based on earnings before interest, income taxes, depreciation and amortization ("EBITDA"). The CODM reviews expenses in a format consistent with the condensed consolidated statements of income. The measure of segment assets is reported on the balance sheet as total assets.

The CODM uses EBITDA to evaluate income generated from segment assets in deciding whether to reinvest assets into the behavioral healthcare services segment or into other parts of the entity, such as for acquisitions or debt reduction. EBITDA is used to monitor budget versus actual results. The CODM also uses EBITDA in competitive analysis by benchmarking to the Company's competitors. The competitive analysis along with the monitoring of budgeted versus actual results are used in assessing performance of the segment and in establishing management's compensation. The Company does not have intra-entity sales or transfers.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

You should read the following discussion and analysis of our financial condition and results of operations with our unaudited condensed consolidated financial statements and notes thereto included elsewhere in this Quarterly Report on Form 10-Q.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include any statements that address future results or occurrences. In some cases, you can identify forward-looking statements by terminology such as “may,” “might,” “will,” “would,” “should,” “could” or the negative thereof. Generally, the words “anticipate,” “believe,” “continue,” “expect,” “intend,” “estimate,” “project,” “plan” and similar expressions identify forward-looking statements. In particular, statements about our expectations, beliefs, plans, objectives, assumptions or future events or performance are forward-looking statements.

We have based these forward-looking statements on our current expectations, assumptions, estimates and projections. While we believe these expectations, assumptions, estimates and projections are reasonable, such forward-looking statements are only predictions and involve known and unknown risks, uncertainties and other factors, many of which are outside of our control, which could cause our actual results, performance or achievements to differ materially from any results, performance or achievements expressed or implied by such forward-looking statements. These risks, uncertainties and other factors include, but are not limited to:

- the impact of internal or governmental investigations, regulatory actions, whistleblower lawsuits and other legal proceedings;
- our dependence on key management personnel, key executive and local facility management personnel, the failure to attract and retain such personnel, including our Chief Executive Officer and Chief Financial Officer, and the impact of any disruptions from the recent transition of various executives;
- the impact of competition for staffing, labor shortages and higher turnover rates on our labor costs and profitability;
- the impact of inflationary pressure and interest rate volatility;
- compliance with laws and government regulations;
- our indebtedness, our ability to meet our debt obligations, and our ability to incur substantially more debt;
- the impact of payments received from the government and third-party payors on our revenue and results of operations;
- the impact of volatility in the global capital and credit markets, as well as significant developments in macroeconomic and political conditions that are out of our control, including any effects that ongoing global conflicts, tariffs, or trade disputes may have on financial markets and macroeconomic conditions;
- the impact of general economic and employment conditions on our business and future results of operations, including increased construction and other costs due to inflation, the imposition of tariffs or trade disputes;
- the impact from changes in expectations resulting from actuarial and other reviews of our liability reserves and other aspects of our business;
- difficulties in successfully integrating the operations of acquired facilities or realizing the potential benefits and synergies of our acquisitions and joint ventures;
- our ability to recruit and retain quality psychiatrists and other physicians, nurses, counselors and other medical support personnel;
- the occurrence of patient incidents, which could result in negative media coverage, adversely affect the price of our securities and result in incremental regulatory burdens and governmental investigations;
- the impact of class action and other claims brought against us or our facilities including claims for damages for personal injuries, medical malpractice, overpayments, breach of contract, securities law violations, tort and employee related claims;
- the outcome of pending litigation;
- the impact of carrying a large self-insured retention, the possibilities of being responsible for significant amounts not covered by insurance, premium increases and insurance not being available on acceptable terms because of our claims experience;
- the impact of the enactment, amendment or expiration of statutes and regulations affecting the healthcare industry, and potential reductions to Medicare and Medicaid payment rates, changes in reimbursement practices or funding levels, or modification of Medicaid supplemental payment programs;

- the impact of the restructuring, consolidation, and elimination of federal agencies that regulate the healthcare industry, which could result in changes to federal agency reviews and enforcement activities, priorities, and guidance, and has the potential to cause delays in obtaining necessary or desired reviews and approvals for our facilities;
- our acquisition, joint venture and wholly-owned de novo strategies, which expose us to a variety of operational and financial risks, as well as legal and regulatory risks;
- the impact of state efforts to regulate the construction or expansion of healthcare facilities on our ability to operate and expand our operations;
- our ability to implement our business strategies;
- the potential impact of activist stockholder actions or tactics;
- the impact of disruptions on our inpatient and outpatient volumes caused by pandemics, epidemics or outbreaks of infectious diseases;
- our restrictive covenants, which may restrict our business and financing activities;
- the impact of adverse weather conditions and climate change, including the effects of hurricanes, wildfires and other natural disasters, and any resulting outmigration;
- we have experienced, and may in the future experience, cybersecurity incidents that could have an adverse impact on our operations, could result in the unauthorized access or acquisition of data we maintain, and/or could result in disclosures and/or investigations under the laws and regulations regarding information privacy;
- the impact on our business if our information systems fail or our databases are destroyed or damaged;
- our ability to access capital on acceptable terms;
- our future cash flow and earnings;
- the impact of our highly competitive industry on patient volumes;
- our ability to cultivate and maintain relationships with referral sources;
- the impact of the trend for insurance companies and managed care organizations to enter into sole source contracts on our ability to obtain patients;
- the impact of value-based purchasing programs on our revenue;
- our potential inability to extend leases at expiration;
- the impact of controls designed to reduce inpatient services on our revenue;
- the impact of different interpretations of accounting principles on our results of operations or financial condition;
- the impact of environmental, health and safety laws and regulations, especially in locations where we have concentrated operations;
- the impact of laws and regulations relating to privacy and security of patient health information and standards for electronic transactions;
- the impact of a change in the mix of our earnings, adverse changes in our effective tax rate and adverse developments in tax laws generally;
- changes in interpretations, assumptions and expectations regarding tax legislation and policy, including provisions that may be issued by federal and state taxing authorities;
- failure to maintain effective internal control over financial reporting;
- the impact of fluctuations in our operating results, quarter to quarter earnings and other factors on the price of our securities;
- the impact of various executive orders affecting the broader healthcare industry; and
- those risks and uncertainties described from time to time in our filings with the SEC.

Given these risks and uncertainties, you are cautioned not to place undue reliance on such forward-looking statements. These risks and uncertainties may cause our actual future results to be materially different than those expressed in our forward-looking statements. These forward-looking statements are made only as of the date of this Quarterly Report on Form 10-Q. We do not undertake and specifically decline any obligation to update any such statements or to publicly announce the results of any revisions to any such statements to reflect future events or developments.

Overview

Our business strategy is to become the indispensable behavioral healthcare provider for the high-acuity and complex needs patient population. We are committed to providing the communities we serve with quality, cost-effective behavioral healthcare services, while growing our business, increasing profitability and creating long-term value for our stockholders. This strategy includes five growth pathways: expansions of existing facilities, joint venture partnerships, de novo facilities, acquisitions and expansion across our continuum of care. At June 30, 2026, we operated 279 behavioral healthcare facilities with approximately 12,600 beds in 40 states and Puerto Rico. During the six months ended June 30, 2026, we added 322 beds, consisting of 42 beds added to existing facilities and 280 beds added through the opening of one wholly-owned facility and three joint venture facilities. The three joint venture facilities opened during the six months ended June 30, 2026, were through partnerships with Tufts Medicine, Orlando Heath, and Methodist Jennie Edmundson. During the six months ended June 30, 2026, we opened two CTCs.

We are the leading publicly traded pure-play provider of behavioral healthcare services in the U.S. Management believes that we are positioned as a leading platform in a highly fragmented industry under the direction of an experienced management team that has significant industry expertise. Management expects to take advantage of several strategies that are more accessible as a result of our increased size and geographic scale, including continuing a national marketing strategy to attract new patients and referral sources, increasing our volume of out-of-state referrals, providing a broader range of services to new and existing patients and clients and selectively pursuing opportunities to expand our facility and bed count through acquisitions, wholly-owned de novo facilities, joint ventures and bed additions in existing facilities.

Recent Legislative Developments

On July 4, 2025, Congress passed the One Big Beautiful Bill Act (the “OBBBA”), its budget reconciliation act for fiscal year 2025. The OBBBA includes provisions that may impact our financial performance and may substantially modify certain state and federal statutes and regulations to which our operations are subject. The OBBBA provisions that may impact us have varying effective dates. We are unable to predict whether or how future legislation, rulemaking, or judicial action will impact implementation of the OBBBA. Of particular relevance to us, the OBBBA reduces the federal government’s overall Medicaid expenditures and tightens Medicaid eligibility requirements. The law limits eligibility for Medicaid by imposing work or community engagement requirements for adults under 65 years old in Medicaid expansion states, including states with waiver-based expansions, subject to limited exceptions, and requires eligibility redeterminations at least every six months for the Medicaid expansion state population. The potential for mid-year loss of coverage increases financial uncertainty and may disrupt ongoing treatment services, complicate eligibility and coverage verification, prior authorization processes, and exposure to uncompensated care or bad debt on patient accounts. State compliance is required by December 31, 2026. We do not expect a material impact on our operations as these requirements begin to be phased in during 2026, primarily due to exemptions for the populations we serve, including individuals with chronic substance use disorders and those with serious and complex medical conditions.

In addition, the OBBBA includes significant changes to Medicaid funding mechanisms by restricting federal matching funds received by state Medicaid programs. The law prohibits states from establishing new provider assessments or taxes, or increasing the rates of existing provider assessments, for state fiscal years beginning after October 1, 2026, while also limiting the structure and application of such assessments. Pursuant to the OBBBA, the U.S. Department of Health and Human Services revised regulations governing state directed payment program arrangements to cap total payment rates paid by Medicaid managed care organizations for certain services at Medicare payment rates instead of average commercial rates and imposed lower caps in Medicaid expansion states, which impacts Medicaid payment rates for services rendered in our hospital facilities. The revised regulations apply to state directed payment programs established on or after July 4, 2025 unless the program meets certain grandfathering criteria. The OBBBA provides that payments under grandfathered programs will be reduced beginning January 1, 2028.

Because our facilities rely in part on reimbursement from federal health care programs, including Medicaid, for the reimbursement of services rendered, these changes may have a negative impact on our financial performance. Ongoing budgetary uncertainties and continued efforts to reduce the federal deficit may result in further payment reductions to both Medicaid and Medicare programs.

In addition to changes made to federal healthcare programs, the OBBBA contains policy changes that have decreased the number of individuals who obtain health insurance from Affordable Care Act (“ACA”) marketplace exchanges. For example, the OBBBA effectively ends automatic renewals of coverage by requiring pre-enrollment verification of eligibility. In addition to ending automatic renewals of ACA plans, the OBBBA eliminates federal enhanced subsidies of ACA marketplace exchange-based plans, which has resulted in significant cost increases for ACA plans.

Results of Operations

The following table illustrates our consolidated results of operations for the respective periods shown (dollars in thousands):

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Revenue	$ 865,839	100.0%	$ 869,232	100.0%	$ 1,694,641	100.0%	$ 1,639,737	100.0%
Salaries, wages and benefits	474,095	54.8%	452,417	52.0%	941,135	55.6%	897,688	54.7%
Professional fees	55,760	6.4%	49,961	5.7%	108,957	6.4%	95,668	5.8%
Supplies	30,197	3.5%	28,532	3.3%	59,688	3.5%	56,874	3.5%
Rents and leases	11,844	1.4%	12,610	1.5%	23,577	1.4%	24,266	1.5%
Other operating expenses	155,747	18.0%	134,414	15.5%	286,826	16.9%	248,416	15.1%
Depreciation and amortization	50,427	5.8%	48,995	5.6%	102,853	6.1%	96,027	5.9%
Interest expense, net	38,178	4.4%	35,138	4.0%	76,508	4.5%	64,320	3.9%
Debt extinguishment costs	—	0.0%	—	0.0%	—	0.0%	1,269	0.1%
Legal settlements expense	—	0.0%	—	0.0%	13,751	0.8%	3,504	0.2%
Loss on impairment	7,364	0.9%	1,452	0.2%	7,364	0.4%	1,452	0.1%
Gain on sale of property, net	(2,359)	-0.3%	(8,715)	-1.0%	(3,581)	-0.2%	(8,715)	-0.5%
Transaction, legal and other costs	22,579	2.6%	64,425	7.4%	44,592	2.6%	95,497	5.8%
Total expenses	843,832	97.5%	819,229	94.2%	1,661,670	98.0%	1,576,266	96.1%
Income before income taxes	22,007	2.5%	50,003	5.8%	32,971	2.0%	63,471	3.9%
Provision for income taxes	9,747	1.1%	12,067	1.4%	16,247	1.0%	16,471	1.0%
Net income	12,260	1.4%	37,936	4.4%	16,724	1.0%	47,000	2.9%
Net income attributable to noncontrolling interests	(1,332)	-0.2%	(7,809)	-0.9%	(1,691)	-0.1%	(8,499)	-0.5%
Net income attributable to Acadia Healthcare Company, Inc.	$ 10,928	1.3%	$ 30,127	3.5%	$ 15,033	0.9%	$ 38,501	2.3%

We believe that we are well positioned to help meet the growing demand for behavioral healthcare services and recorded revenue growth of 3.3% for the six months ended June 30, 2026 compared to the six months ended June 30, 2025. Similar to many other healthcare providers and other industries across the country, we have been navigating a tight labor market. While we experienced higher wage inflation compared to historical averages in recent years, we continue to see stability in our labor costs and our proactive focus helps us manage through this environment. We remain focused on ensuring that we have the level of staff to meet the demand in our markets across 40 states and Puerto Rico.

The following table sets forth percent changes in same facility operating data for the three and six months ended June 30, 2026 compared to the same periods in 2025:

	Three Months Ended	Six Months Ended
Same Facility Results (a)		
Revenue growth	-0.1%	3.4%
Patient days growth	0.8%	1.2%
Admissions growth	6.4%	6.5%
Average length of stay change (b)	-5.3%	-5.0%
Revenue per patient day growth	-0.8%	2.2%

(a) Results for the periods presented include facilities we have operated more than one year and exclude certain closed services.

(b) Average length of stay is defined as patient days divided by admissions.

Same facility results include operating results only for facilities and services operated in both the current and prior year. These metrics exclude the operating results associated with facilities under operation for less than one year and facilities acquired during the current or prior year, as well as facilities divested or removed from service, and also exclude general and administrative costs related to our corporate functions. Such costs related to our corporate functions include, amongst others, costs for accounting and finance, information systems, human resources, legal and operational and executive leadership. General and administrative costs directly related to the facilities are included in same facility results. Such costs directly related to our facilities include, amongst others, labor at the facility level, insurance, including property, professional, legal and general liability insurance, hospital supplies, including medication, utilities and food service, and general maintenance costs for the facility. We determine which general and administrative costs to exclude and include in same facility results by ensuring those costs directly associated with facility operations are captured at the facility level for reporting.

We believe that providing results on a same facility basis is helpful to our investors as a measure of our financial and operating performance because it neutralizes the impact of corporate-level items that do not arise out of our core operations at our facilities and because it neutralizes the impact of new facilities that are in early stages of operation and facilities that we no longer operate, each of which may distort investors' understanding of our underlying performance at our existing and continuing facilities. Further, we believe that providing same facility information is helpful to our investors as a measure of the financial and operating performance of our existing and continuing facilities on a comparable basis, and same facility results metrics provide investors with information useful in understanding underlying organic growth in such facilities. For these reasons, we believe that same facility results are particularly useful during periods of significant expansion or contraction.

Same facility results reflect adjustments that are intended to provide the specific presentation described above and that may be irregular in timing from period to period related to newly opened or acquired facilities or facilities that we no longer operate, and may omit certain results that investors may view as important. Same facility results may therefore not be indicative of the overall performance of our business, and should not be considered as an alternative for net income or any other performance measures derived in accordance with GAAP.

Three months ended June 30, 2026 compared to the three months ended June 30, 2025

Revenue. Revenue decreased $3.4 million, or 0.4%, to $865.8 million for the three months ended June 30, 2026 from $869.2 million for the three months ended June 30, 2025. The three months ended June 30, 2026, included $22.3 million of revenue from one state government program based on timing of program approval, all of which related to services rendered in prior periods. The three months ended June 30, 2025, included $65.6 million of revenue from one state government program based on timing of program approval, $48.7 million of which related to services rendered in prior periods. Same facility revenue decreased $0.4 million, or 0.1%, for the three months ended June 30, 2026 compared to the three months ended June 30, 2025, resulting from same facility decline in revenue per day of 0.8%, partially offset by same facility growth in patient days of 0.8% and same facility growth in admissions of 6.4%. Consistent with same facility revenue growth in 2025, the growth in same facility patient days for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 resulted from the addition of beds to our existing facilities and ongoing demand for our services.

Salaries, wages and benefits. Salaries, wages and benefits ("SWB") expense was $474.1 million for the three months ended June 30, 2026 compared to $452.4 million for the three months ended June 30, 2025, an increase of $21.7 million. SWB expense included $11.0 million and $10.5 million of equity-based compensation expense for the three months ended June 30, 2026 and 2025, respectively. Excluding equity-based compensation expense, SWB expense was $463.1 million, or 53.5% of revenue, for the three months ended June 30, 2026, compared to $441.9 million, or 50.8% of revenue, for the three months ended June 30, 2025. Same facility SWB expense was $421.2 million for the three months ended June 30, 2026, or 49.2% of revenue, compared to $403.4 million for the three months ended June 30, 2025, or 47.1% of revenue.

Professional fees. Professional fees were $55.8 million for the three months ended June 30, 2026, or 6.4% of revenue, compared to $50.0 million for the three months ended June 30, 2025, or 5.7% of revenue. Same facility professional fees were $48.2 million for the three months ended June 30, 2026, or 5.6% of revenue, compared to $43.8 million for the three months ended June 30, 2025, or 5.1% of revenue.

Supplies. Supplies expense was $30.2 million for the three months ended June 30, 2026, or 3.5% of revenue, compared to $28.5 million for the three months ended June 30, 2025, or 3.3% of revenue. Same facility supplies expense was $29.5 million for the three months ended June 30, 2026, or 3.4% of revenue, compared to $27.9 million for the three months ended June 30, 2025, or 3.3% of revenue.

Rents and leases. Rents and leases were $11.8 million for the three months ended June 30, 2026, or 1.4% of revenue, compared to $12.6 million for the three months ended June 30, 2025, or 1.5% of revenue. Same facility rents and leases were $10.2 million for the three months ended June 30, 2026, or 1.2% of revenue, compared to $11.2 million for the three months ended June 30, 2025, or 1.3% of revenue.

Other operating expenses. Other operating expenses consisted primarily of purchased services, utilities, insurance, provider taxes, travel and repairs and maintenance expenses. Other operating expenses were $155.7 million for the three months ended June 30, 2026, or 18.0% of revenue, compared to $134.4 million for the three months ended June 30, 2025, or 15.5% of revenue. Same facility other operating expenses were $146.3 million for the three months ended June 30, 2026, or 17.1% of revenue, compared to $124.9 million for the three months ended June 30, 2025, or 14.6% of revenue. Other operating expenses for three months ended June 30, 2026 includes an unfavorable adjustment of $28.6 million to our estimated liability for self-insured professional and general liability claims relating to the settlement or expected settlement of certain prior year claims.

Depreciation and amortization. Depreciation and amortization expense was $50.4 million for the three months ended June 30, 2026, or 5.8% of revenue, compared to $49.0 million for the three months ended June 30, 2025, or 5.6% of revenue.

Interest expense. Interest expense was $38.2 million for the three months ended June 30, 2026 compared to $35.1 million for the three months ended June 30, 2025. The increase in interest expense was primarily the result of increased borrowings.

Loss on impairment. During the three months ended June 30, 2026, we recorded non-cash property impairment charges totaling $7.4 million. During the three months ended June 30, 2025, we recorded non-cash property impairment charges totaling $1.5 million.

Gain on sale of property, net. During the three months ended June 30, 2026, we recorded a $2.4 million gain on property sale related to the sale of several closed properties. During the three months ended June 30, 2025, we recorded an $8.7 million gain on property sale related to the sale of a facility.

Transaction, legal and other costs. Transaction, legal and other costs were $22.6 million for the three months ended June 30, 2026, compared to $64.4 million for the three months ended June 30, 2025. Transaction, legal and other costs represent legal, accounting, government investigation, termination, restructuring, management transition, acquisition and other similar costs incurred in the respective period, as summarized below (in thousands).

	Three Months Ended June 30,	
	2026	2025
Legal, accounting and other acquisition-related costs	$ 9,324	$ 825
Government investigations	7,471	53,526
Termination and restructuring costs	5,784	10,074
Total	$ 22,579	$ 64,425

Legal, accounting and other acquisition-related costs include costs incurred for the development of new facilities ($0.2 million and $0.4 million for the three months ended June 30, 2026 and 2025, respectively); and legal and settlement costs incurred related to certain litigation not included in government investigations ($9.1 million and $0.4 million for the three months ended June 30, 2026 and 2025, respectively). Government investigations include legal fees and settlement costs related to certain litigation, including the matters referenced in Note 8 – Commitments and Contingencies in the accompanying notes to our condensed consolidated financial statements. Termination and restructuring costs include costs, net of gains, incurred related to workforce reductions, contract amendments, and the closure and disposition of certain facilities, including related lease terminations.

Provision for income taxes. For the three months ended June 30, 2026, the provision for income taxes was $9.7 million, reflecting an effective tax rate of 44.3%, compared to $12.1 million, reflecting an effective tax rate of 24.1%, for the three months ended June 30, 2025. The increase in the effective tax rate for the three months ended June 30, 2026 compared to the three months ended June 30, 2025 was primarily attributable to an increase in nondeductible legal settlements and an increase in valuation allowances against certain state deferred tax assets in the current year.

As we continue to monitor the implications of potential tax legislation in each of our jurisdictions, we may adjust our estimates and record additional amounts for tax assets and liabilities. Any adjustments to our tax assets and liabilities could materially impact our provision for income taxes and our effective tax rate in the periods in which they are made.

Six months ended June 30, 2026 compared to the six months ended June 30, 2025

Revenue. Revenue increased $54.9 million, or 3.3%, to $1,694.6 million for the six months ended June 30, 2026 from $1,639.7 million for the six months ended June 30, 2025. The six months ended June 30, 2026, included $34.0 million of revenue from two state government programs based on timing of program approval, all of which related to services rendered in prior periods. The six months ended June 30, 2025, included $65.6 million of revenue from one state government program based on timing of program approval, $34.4 million of which related to services rendered in prior periods. Same facility revenue increased $54.6 million, or 3.4%, for the six months ended June 30, 2026 compared to the six months ended June 30, 2025, resulting from same facility growth in revenue per day of 2.2%, same facility growth in patient days of 1.2%, and same facility growth in admissions of 6.5%. Consistent with same facility revenue growth in 2025, the growth in same facility patient days for the six months ended June 30, 2026 compared to the six months ended June 30, 2025 resulted from the addition of beds to our existing facilities and ongoing demand for our services.

Salaries, wages and benefits. SWB expense was $941.1 million for the six months ended June 30, 2026 compared to $897.7 million for the six months ended June 30, 2025, an increase of $43.4 million. SWB expense included $18.9 million and $19.2 million of equity-based compensation expense for the six months ended June 30, 2026 and 2025. Excluding equity-based compensation expense, SWB expense was $922.2 million, or 54.4% of revenue, for the six months ended June 30, 2026, compared to $878.5 million, or 53.6% of revenue, for the six months ended June 30, 2025. Same facility SWB expense was $832.1 million for the six months ended June 30, 2026, or 49.8% of revenue, compared to $799.9 million for the six months ended June 30, 2025, or 49.5% of revenue.

Professional fees. Professional fees were $109.0 million for the six months ended June 30, 2026, or 6.4% of revenue, compared to $95.7 million for the six months ended June 30, 2025, or 5.8% of revenue. Same facility professional fees were $93.1 million for the six months ended June 30, 2026, or 5.6% of revenue, compared to $84.1 million for the six months ended June 30, 2025, or 5.2% of revenue.

Supplies. Supplies expense was $59.7 million for the six months ended June 30, 2026, or 3.5% of revenue, compared to $56.9 million for the six months ended June 30, 2025, or 3.5% of revenue. Same facility supplies expense was $58.0 million for the six months ended June 30, 2026, or 3.5% of revenue, compared to $55.6 million for the six months ended June 30, 2025, or 3.4% of revenue.

Rents and leases. Rents and leases were $23.6 million for the six months ended June 30, 2026, or 1.4% of revenue, compared to $24.3 million for the six months ended June 30, 2025, or 1.5% of revenue. Same facility rents and leases were $20.2 million for the six months ended June 30, 2026, or 1.2% of revenue, compared to $21.5 million for the six months ended June 30, 2025, or 1.3% of revenue.

Other operating expenses. Other operating expenses consisted primarily of purchased services, utilities, insurance, provider taxes, travel and repairs and maintenance expenses. Other operating expenses were $286.8 million for the six months ended June 30, 2026, or 16.9% of revenue, compared to $248.4 million for the six months ended June 30, 2025, or 15.1% of revenue. Same facility other operating expenses were $265.9 million for the six months ended June 30, 2026, or 15.9% of revenue, compared to $230.1 million for the six months ended June 30, 2025, or 14.2% of revenue. Other operating expenses for six months ended June 30, 2026 includes an unfavorable adjustment of $28.6 million to our estimated liability for self-insured professional and general liability claims relating to the settlement or expected settlement of certain prior year claims.

Depreciation and amortization. Depreciation and amortization expense was $102.9 million for the six months ended June 30, 2026, or 6.1% of revenue, compared to $96.0 million for the six months ended June 30, 2025, or 5.9% of revenue.

Interest expense. Interest expense was $76.5 million for the six months ended June 30, 2026 compared to $64.3 million for the six months ended June 30, 2025. The increase in interest expense was primarily the result of increased borrowings.

Debt extinguishment costs. Debt extinguishment costs were $1.3 million for the six months ended June 30, 2025 related to the refinancing of the Prior Credit Facility.

Legal settlements expense. Legal settlements expense was $13.8 million for the six months ended June 30, 2026 related to costs associated with the Sandoval Litigation. Legal settlements expense was $3.5 million for the six months ended June 30, 2025 related to costs associated with the Desert Hills Litigation.

Loss on impairment. During the six months ended June 30, 2026, we recorded non-cash property impairment charges totaling $7.4 million. During the six months ended June 30, 2025, we recorded non-cash property impairment charges of $1.5 million.

Gain on sale of property, net. During the six months ended June 30, 2026, we recorded a $3.6 million gain on property sale related to the sale of several closed properties. During the six months ended June 30, 2025, we recorded an $8.7 million gain on property sale related to the sale of a facility.

Transaction, legal and other costs. Transaction, legal and other costs were $44.6 million for the six months ended June 30, 2026, compared to $95.5 million for the six months ended June 30, 2025. Transaction, legal and other costs represent legal, accounting, government investigation, termination, restructuring, management transition, acquisition and other similar costs incurred in the respective period, as summarized below (in thousands).

	Six Months Ended June 30,	
	2026	2025
Government investigations	$ 19,893	$ 84,538
Termination and restructuring costs	10,746	12,239
Legal, accounting and other acquisition-related costs	10,040	(1,280)
Management transition costs	3,913	—
Total	$ 44,592	$ 95,497

Government investigations include legal fees and settlement costs related to certain litigation, including the matters referenced in Note 8 – Commitments and Contingencies in the accompanying notes to our condensed consolidated financial statements. Termination and restructuring costs include costs, net of gains, incurred related to workforce reductions, contract amendments, and the closure and disposition of certain facilities, including related lease terminations. Legal, accounting and other acquisition-related costs include costs incurred for the development of new facilities ($0.3 million and $1.3 million for six months ended June 30, 2026 and 2025, respectively); and legal and settlement costs incurred related to certain litigation not included in government investigations ($9.7 million and $(2.6) million for the six months ended June 30, 2026 and 2025, respectively). Management transition costs during the six months ended June 30, 2026, consist primarily of severance benefits incurred with the departure of the Company's former Chief Executive Officer, Christopher H. Hunter.

Provision for income taxes. For the six months ended June 30, 2026, the provision for income taxes was $16.2 million, reflecting an effective tax rate of 49.3%, compared to $16.5 million, reflecting an effective tax rate of 26.0%, for the six months ended June 30, 2025. The increase in the effective tax rate for the six months ended June 30, 2026 compared to the six months ended June 30, 2025 was primarily attributable to an increase in nondeductible legal settlements and an increase in valuation allowances against certain state deferred tax assets in the current year.

As we continue to monitor the implications of potential tax legislation in each of our jurisdictions, we may adjust our estimates and record additional amounts for tax assets and liabilities. Any adjustments to our tax assets and liabilities could materially impact our provision for income taxes and our effective tax rate in the periods in which they are made.

Revenue

Our revenue is primarily derived from services rendered to patients for inpatient psychiatric and substance abuse care, outpatient psychiatric care and adolescent residential treatment. We receive payments from the following sources for services rendered in our facilities: (i) state governments under their respective Medicaid and other programs; (ii) commercial insurers; (iii) the federal government under the Medicare program administered by CMS and other programs; and (iv) individual patients and clients. We determine the transaction price based on established billing rates reduced by contractual adjustments provided to third-party payors, discounts provided to uninsured patients and implicit price concessions. Contractual adjustments and discounts are based on contractual agreements, discount policies and historical experience. Implicit price concessions are based on historical collection experience.

The table below presents revenue by payor type and as a percentage of revenue (dollars in thousands) and includes an immaterial revision of amounts for the three months ended June 30, 2025, and the six months ended June 30, 2026 and 2025, to correct the classification of certain revenue among payors.

	Three Months Ended June 30,				Six Months Ended June 30,			
	2026		2025		2026		2025	
	Amount	%	Amount	%	Amount	%	Amount	%
Commercial	$ 185,797	21.5%	$ 204,135	23.5%	$ 366,653	21.6%	$ 393,810	24.0%
Medicare	122,286	14.1%	118,904	13.7%	237,981	14.0%	233,445	14.2%
Medicaid	540,225	62.4%	521,382	60.0%	1,048,650	61.9%	955,695	58.3%
Self-Pay	9,507	1.1%	13,174	1.5%	24,754	1.5%	31,131	1.9%
Other	8,024	0.9%	11,637	1.3%	16,603	1.0%	25,656	1.6%
Revenue	$ 865,839	100.0%	$ 869,232	100.0%	$ 1,694,641	100.0%	$ 1,639,737	100.0%

The following tables present a summary of our aging of accounts receivable at June 30, 2026 and December 31, 2025:

June 30, 2026

	Current	30-90	90-150	>150	Total
Commercial	14.0%	4.0%	2.7%	9.5%	30.2%
Medicare	8.3%	1.6%	0.7%	2.0%	12.6%
Medicaid	30.7%	5.8%	4.2%	8.1%	48.8%
Self-Pay	1.2%	1.8%	1.8%	3.5%	8.3%
Other	0.0%	0.0%	0.0%	0.1%	0.1%
Total	54.2%	13.2%	9.4%	23.2%	100.0%

December 31, 2025

	Current	30-90	90-150	>150	Total
Commercial	14.7%	4.8%	3.1%	8.2%	30.8%
Medicare	8.6%	1.9%	1.0%	1.5%	13.0%
Medicaid	31.1%	6.9%	4.3%	6.9%	49.2%
Self-Pay	1.3%	1.5%	1.5%	2.7%	7.0%
Total	55.7%	15.1%	9.9%	19.3%	100.0%

Liquidity and Capital Resources

Cash provided by operating activities for the six months ended June 30, 2026 was $223.6 million compared to $145.0 million for the six months ended June 30, 2025. The increase in operating cash flows for the six months ended June 30, 2026 was primarily related to collection of the insurance proceeds for the 2019 Securities Litigation, an increase in funds received from certain state supplemental payment programs and favorable changes in working capital and other liabilities. Days sales outstanding were 49 days at both June 30, 2026 and December 31, 2025.

Cash used in investing activities for the six months ended June 30, 2026 was $92.9 million compared to $334.0 million for the six months ended June 30, 2025. Cash used in investing activities for the six months ended June 30, 2026 primarily consisted of $115.1 million of cash paid for capital expenditures and $4.3 million of other, offset by $26.5 million of proceeds from the sale of property and equipment. Cash paid for capital expenditures for the six months ended June 30, 2026 was $115.1 million, consisting of routine or maintenance capital expenditures of $34.9 million and expansion capital expenditures of $80.2 million. We define expansion capital expenditures as those that increase the capacity of our facilities or otherwise enhance revenue. Routine or maintenance capital expenditures, including information technology capital expenditures, were approximately 2% of revenue for the six months ended June 30, 2026. Cash used in investing activities for the six months ended June 30, 2025 primarily consisted of $342.4 million of cash paid for capital expenditures, $8.2 million of cash paid for acquisitions and $0.1 million of other, offset by $16.6 million of proceeds from sales of property and equipment. Cash paid for capital expenditures for the six months ended June 30, 2025 was $342.4 million, consisting of routine or maintenance capital expenditures of $51.2 million and expansion capital expenditures of $291.2 million.

Cash used in financing activities for the six months ended June 30, 2026 was $92.7 million compared to cash provided by financing activities of $244.2 million for the six months ended June 30, 2025. Cash used in financing activities for the six months ended June 30, 2026 consisted of principal payments on revolving credit facility of $160.0 million, principal payments on long-term debt of $12.2 million, repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises, of $3.8 million, distributions to noncontrolling partners in joint ventures of $2.6 million and $0.1 million of other, offset by borrowings on revolving credit facility of $85.0 million and contributions from noncontrolling partners in joint ventures of $1.0 million. Cash provided by financing activities for the six months ended June 30, 2025 consisted of borrowings on long-term debt of $1,200.0 million and borrowings on revolving credit facility of $830.0 million, offset by principal payments on revolving credit facility of $1,035.0 million, repayment of long-term debt of $670.9 million, repurchase of common stock of $50.0 million, payment of debt issuance costs of $18.6 million, principal payments on long-term debt of $4.1 million, repurchase of shares for payroll tax withholding, net of proceeds from stock option exercises, of $3.7 million, distributions to noncontrolling partners in joint ventures of $2.0 million, cash paid for contingent consideration of $1.5 million and $0.1 million of other.

We had total available cash and cash equivalents of $171.3 million and $133.2 million at June 30, 2026 and December 31, 2025, respectively, of which approximately $12.4 million and $8.0 million was held by our foreign subsidiaries, respectively. Our strategic plan does not require the repatriation of foreign cash in order to fund our operations in the U.S.

Credit Facility

On the Credit Facility Closing Date, we entered into the Credit Agreement, which provides for the $1.0 billion Revolving Facility (including a $50.0 million sublimit for the issuance of letters of credit and a $50.0 million swingline subfacility) and the $650.0 million Term Loan Facility, each maturing on February 28, 2030.

On the Credit Facility Closing Date, the full $650.0 million amount of the Term Loan Facility was funded, and $550.0 million was funded under the Revolving Facility, which amounts were used, among other things, to refinance the outstanding obligations under the Prior Credit Facility.

Borrowings under the Credit Agreement bear interest at a floating rate equal to, at our option, either (i) a SOFR-based rate plus a margin ranging from 1.375% to 2.250% or (ii) a base rate plus a margin ranging from 0.375% to 1.250%, in each case, depending on our Consolidated Total Net Leverage Ratio. In addition, an unused fee that varies according to our Consolidated Total Net Leverage Ratio ranging from 0.200% to 0.350% is payable quarterly in arrears based on the average daily undrawn portion of the commitments in respect of the Revolving Facility. The Term Loan Facility requires quarterly principal repayments of $8.1 million through March 31, 2028, $12.2 million from June 30, 2028 to March 31, 2029 and $16.3 million from June 30, 2029 to December 31, 2029, with the remaining outstanding principal balance of the Term Loan Facility due on the maturity date of February 28, 2030.

We have the ability to increase the amount of the Credit Facility, which may take the form of increases to the Revolving Facility or the Term Loan Facility or the issuance of one or more Incremental Facilities, upon obtaining additional commitments from new or existing lenders and the satisfaction of certain customary conditions precedent for such Incremental Facilities. Such Incremental Facilities may not exceed the sum of (i) the greater of $710.0 million and an amount equal to 100% of our LTM Consolidated EBITDA at the time of determination and (ii) additional amounts that would not cause our Consolidated Senior Secured Net Leverage Ratio to exceed 4.0 to 1.0.

Subject to certain exceptions, substantially all of our existing and subsequently acquired or organized direct and indirect wholly-owned U.S. subsidiaries are required to guarantee the repayment of our obligations under the Credit Agreement. The obligations of us and such guarantor subsidiaries are secured by a pledge of substantially all of our and such guarantor subsidiaries' assets (excluding all real property and certain other customarily excluded assets).

The Credit Agreement contains customary representations and warranties and affirmative and negative covenants, including limitations on the ability of us and our subsidiaries to: (i) incur debt; (ii) permit additional liens; (iii) make investments and acquisitions; (iv) merge or consolidate with others; (v) dispose of assets; (vi) pay dividends and distributions; (vii) pay junior indebtedness; and (viii) enter into affiliate transactions, in each case, subject to customary exceptions. In addition, the Credit Agreement contains financial covenants requiring us to maintain, on a consolidated basis as of the last day of each quarterly period, a Consolidated Total Net Leverage Ratio of not more than 5.0 to 1.0 (which may be increased in connection with a material acquisition to 5.5 to 1.0 for a four quarter period up to three times during the term of the Credit Agreement) and a Consolidated Interest Coverage Ratio of at least 3.0 to 1.0. The Credit Agreement also includes events of default customary for facilities of this type and upon the occurrence of such events of default, among other things, all outstanding loans under the Credit Agreement may be accelerated, lenders commitments terminated, and/or lenders may exercise collateral remedies. At June 30, 2026, our Consolidated Total Net Leverage Ratio was 4.1x, and we were in compliance with all financial covenants. Consolidated Total Net Leverage Ratio is being reported as calculated under the Credit Agreement and not pursuant to GAAP. Investors should refer to the agreements governing the Credit Agreement attached as exhibits to our periodic reports for further information related to the calculation thereof and should not consider Consolidated Total Net Leverage Ratio as an alternative for any measures derived in accordance with GAAP. For risks related to our indebtedness and compliance with these covenants, see "Item 1A. Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2025.

During the six months ended June 30, 2026, we borrowed $85.0 million on the Revolving Facility and repaid $160.0 million of the balance outstanding.

At June 30, 2026, we had $669.8 million of availability under the Revolving Facility and had standby letters of credit outstanding of $1.2 million related to security for multiple development projects.

Prior Credit Facility

On March 17, 2021, we entered into the Prior Credit Facility, which provided for the Prior Revolving Facility and the Prior Term Loan Facility, each of which was scheduled to mature on March 17, 2026.

During the six months ended June 30, 2025, we borrowed $115.0 million on the Prior Revolving Facility and repaid $485.0 million of the balance outstanding prior to February 28, 2025, when the Prior Credit Facility was refinanced in connection with entering into the Credit Facility.

On February 28, 2025, we refinanced the Prior Credit Facility by using the proceeds of the Credit Facility to repay the outstanding balances of the Prior Term Loan Facility and the Prior Revolving Facility, which totaled $670.9 million and $485.0 million, respectively. In connection therewith, we recorded a loss on extinguishment of $1.3 million, which is included in debt extinguishment costs in the condensed consolidated statements of income.

Senior Notes

5.500% Senior Notes due 2028

On June 24, 2020, we issued $450.0 million of 5.500% Senior Notes. The 5.500% Senior Notes mature on July 1, 2028 and bear interest at a rate of 5.500% per annum, payable semi-annually in arrears on January 1 and July 1 of each year.

5.000% Senior Notes due 2029

On October 14, 2020, we issued $475.0 million of 5.000% Senior Notes. The 5.000% Senior Notes mature on April 15, 2029 and bear interest at a rate of 5.000% per annum, payable semi-annually in arrears on April 15 and October 15 of each year.

7.375% Senior Notes due 2033

On March 10, 2025, we issued $550.0 million of 7.375% Senior Notes. The 7.375% Senior Notes mature on March 15, 2033 and bear interest at a rate of 7.375% per annum, payable semi-annually in arrears on March 15 and September 15 of each year. The net proceeds from the issuance and sale of the 7.375% Senior Notes, together with cash on hand, were used to pay down $550.0 million of outstanding borrowings under the Revolving Facility.

The indentures governing the Senior Notes contain covenants that, among other things, limit our ability and the ability of our restricted subsidiaries to: (i) pay dividends, redeem stock or make other distributions or investments; (ii) incur additional debt or issue certain preferred stock; (iii) transfer or sell assets; (iv) engage in certain transactions with affiliates; (v) create restrictions on dividends or other payments by the restricted subsidiaries; (vi) merge, consolidate or sell substantially all of our assets; and (vii) create liens on assets.

The Senior Notes issued by us are guaranteed by each of our subsidiaries that guarantee our obligations under the Credit Agreement. The guarantees are full and unconditional and joint and several.

We may redeem the Senior Notes at our option, in whole or part, at the dates and amounts set forth in the applicable indentures.

Supplemental Guarantor Financial Information

We conduct all of our business through our subsidiaries. The Senior Notes are jointly and severally guaranteed on an unsecured senior basis by all of our subsidiaries that guarantee our obligations under the Credit Facility. The summarized financial information presented below is consistent with our condensed consolidated financial statements, except transactions between combining entities have been eliminated. Financial information for our combined non-guarantor entities has been excluded pursuant to SEC Regulation S-X Rule 13-01. Presented below is condensed financial information for our combined wholly-owned subsidiary guarantors at June 30, 2026 and December 31, 2025, and for the six months ended June 30, 2026. The information presented below as of December 31, 2025 has been revised to correct an immaterial error included in the *Supplemental Guarantor Financial Information* in Part I, “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025.

Summarized balance sheet information (in thousands):

	June 30, 2026	December 31, 2025
Current assets	$ 624,556	$ 585,902
Property and equipment, net	1,937,185	1,994,863
Goodwill	1,157,060	1,157,060
Total noncurrent assets	3,457,441	3,502,915
Current liabilities	531,661	498,156
Long-term debt	2,382,069	2,471,529
Total noncurrent liabilities	2,631,749	2,716,259
Redeemable noncontrolling interests	—	—
Total equity	918,586	874,402

Summarized operating results information (in thousands):

	Six Months Ended June 30, 2026
Revenue	$ 1,353,949
Income before income taxes	5,193
Net income	(4,259)
Net income attributable to Acadia Healthcare Company, Inc.	(4,259)

Contractual Obligations

The following table presents a summary of contractual obligations at June 30, 2026 (in thousands):

	Payments Due by Period				
	Less Than 1 Year	1-3 Years	3-5 Years	More Than 5 Years	Total
Long-term debt (a)	$ 175,636	$ 1,263,540	$ 945,109	$ 620,985	$ 3,005,270
Operating lease liabilities (b)	29,914	52,435	38,548	85,806	206,703
Finance lease liabilities	1,089	2,178	2,360	17,829	23,456
Total obligations and commitments	$ 206,639	$ 1,318,153	$ 986,017	$ 724,620	$ 3,235,429

(a) Amounts include required principal and interest payments. The projected interest payments reflect the interest rates in place on our variable-rate debt at June 30, 2026.
(b) Amounts exclude variable components of lease payments.

Critical Accounting Policies

There have been no material changes in our critical accounting policies at June 30, 2026 from those described in our Annual Report on Form 10-K for the year ended December 31, 2025.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

Our interest expense is sensitive to changes in market interest rates. Our long-term debt outstanding at June 30, 2026 was composed of $1,463.5 million of fixed-rate debt and $951.1 million of variable-rate debt with interest based on Adjusted Term SOFR plus an applicable margin. Based on our borrowing level at June 30, 2026, a hypothetical 1% increase in interest rates would decrease our pretax income on an annual basis by approximately $9.5 million.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

As of the end of the period covered by this report, our management conducted an evaluation, with the participation of our chief executive officer and chief financial officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on this evaluation, our chief executive officer and chief financial officer have concluded that our disclosure controls and procedures are effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the three months ended June 30, 2026 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1. Legal Proceedings

Information with respect to this item may be found in Note 8 – Commitments and Contingencies in the accompanying notes to our condensed consolidated financial statements of this Quarterly Report on Form 10-Q, which information is incorporated herein by reference.

Item 1A. Risk Factors

In addition to the other information set forth in this report, an investor should carefully consider the factors discussed in Part I, “Item 1A. Risk Factors” in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, which are incorporated herein by reference. The risks described in the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, are not the only risks facing the Company. Additional risks and uncertainties not currently known to management or that management currently deems immaterial also may materially, adversely affect the Company’s business, financial condition, operating results or cash flows.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

The following table provides our repurchases of shares of our common stock during the three months ended June 30, 2026:

Period	Total Number of Shares Purchased (a)	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number of Shares that May Yet Be Purchased Under the Plans or Programs (in millions) (b)
April 1 - April 30	2,629	$ 26.01	—	$ 250.0
May 1 - May 31	12,687	$ 26.44	—	$ 250.0
June 1 - June 30	4,815	$ 24.62	—	$ 250.0
Total	20,131			

(a) There were no shares repurchased during the three months ended June 30, 2026 under the Share Repurchase Program, and there were 20,131 shares withheld in connection with tax payments due upon vesting of employee restricted stock awards and the use of shares of our common stock to pay the exercise price of employee stock options.

(b) We may repurchase up to $300.0 million of our common stock under the Share Repurchase Program announced on February 25, 2025. As of June 30, 2026, $250.0 million remained available for purchase under the Share Repurchase Program. The Share Repurchase Program has no termination date and may be modified, suspended or discontinued by the Company’s board of directors at any time.

Item 5. Other Information

From time to time, certain of our executive officers and directors may enter into, amend or terminate written trading arrangements pursuant to Rule 10b5-1 of the Securities Exchange Act of 1934 or otherwise. During the three months ended June 30, 2026, none of the Company’s directors or officers adopted or terminated any Rule 10b5-1 trading arrangement or non- Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits

Exhibit No.	Exhibit Description
3.1	Amended and Restated Certificate of Incorporation, as amended. (1)
3.2	Amended and Restated Bylaws of the Company, as amended. (2)
10.1	Employment Agreement, dated as of April 27, 2026, by and between Acadia Management Company, LLC and David M. Duckworth. (3)
10.2*	Second Amendment to Employment Agreement, dated as of April 10, 2026, by and between Acadia Management Company, LLC and Brian Farley.
10.3*	Cash Retention Award Agreement, dated as of May 4, 2026, by and between Acadia Management Company, LLC and Brian Farley.
10.4	Second Amendment, effective May 6, 2026, to the Acadia Healthcare Company, Inc. Incentive Compensation Plan. (4)
22*	List of Subsidiary Guarantors and Issuers of Guaranteed Securities.
31.1*	Certification of the Chief Executive Officer of the Company pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of the Chief Financial Officer of the Company pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934, as amended, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32*	Certification of Chief Executive Officer and Chief Financial Officer of the Company pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS**	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH**	Inline XBRL Taxonomy Extension Schema with embedded Linkbase Documents.
104	The cover page from the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, has been formatted in Inline XBRL.

(1) Incorporated by reference to exhibits filed with the Company's Current Report on Form 8-K filed May 24, 2024 (File No. 001-35331).
(2) Incorporated by reference to exhibits filed with the Company's Current Report on Form 8-K filed May 25, 2017 (File No. 001-35331).
(3) Incorporated by reference to exhibits filed with the Company's Current Report on Form 8-K filed April 23, 2026 (File No. 001-35331).
(4) Incorporated by reference to Appendix A to the Company's Definitive Proxy Statement filed with the SEC on March 25, 2026 (File No. 001-35331).
* Filed herewith.
** The XBRL related information in Exhibit 101 to this quarterly report on Form 10-Q shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to liability of that section and shall not be incorporated by reference into any filing or other document pursuant to the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing or document.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Acadia Healthcare Company, Inc.

By: /s/ David M. Duckworth
David M. Duckworth
Interim Chief Financial Officer

Dated: July 28, 2026

Exhibit 10.2

SECOND AMENDMENT TO
EMPLOYMENT AGREEMENT

THIS SECOND AMENDMENT TO EMPLOYMENT AGREEMENT, effective as of April 10, 2026 (this "Amendment"), is by and between Acadia Management Company, Inc., a Delaware corporation (the "Company"), and Brian Farley ("Executive").

WHEREAS, the Company and Executive are party to that certain Employment Agreement, dated as of June 30, 2023, as amended by that certain First Amendment dated July 6, 2023 (the "Employment Agreement"); and

WHEREAS, the Company and Executive have agreed to make certain amendments to the Employment Agreement upon the terms and conditions hereinafter set forth.

NOW THEREFORE, in consideration of the mutual covenants herein contained, the parties, intending to be legally bound, hereby agree as follows:

1.**Position; Responsibilities**. Section 2(a) of the Employment Agreement shall be deleted in its entirety and the following substituted therefore:

"(a) Position; Responsibilities. During the Employment Period, Executive shall serve as the Executive Vice President, Chief Legal and Administrative Officer and Corporate Secretary of the Company and Acadia and shall have the normal duties, responsibilities, functions and authority of an executive vice president, chief legal and administrative officer and corporate secretary, subject to the power and authority of the board of directors (the "Board") of Acadia, to expand or limit such duties, responsibilities, functions and authority within the scope of duties, responsibilities, functions and authority associated with the position of Executive Vice President, Chief Legal and Administrative Officer and Corporate Secretary and to overrule actions of officers of the Company."

2.**Bonus**. Section 3(b) of the Employment Agreement shall be deleted in its entirety and the following substituted therefore:

"(b) Bonus. In addition to the Base Salary and except as otherwise modified by the Board or the Compensation Committee, for each fiscal year of Acadia that begins or ends during the Employment Period, Executive will be eligible to earn a target annual cash bonus of 100% of Executive's Base Salary in accordance with the Company's annual bonus plan applicable to senior executives which, as applied to Executive, currently provides a range of 0% for performance below threshold performance, 50% of Base Salary at threshold performance, and 200% of Base Salary at maximum performance, if and only if Executive, Acadia and the Subsidiaries achieve the performance criteria specified by the Board or the Compensation Committee for such year, as determined by the Board or the Compensation Committee in its sole discretion. Unless otherwise agreed to by Executive, any such bonus amount for any year shall be earned (if awarded) on the last day of such year and paid by the Company in the calendar year following the calendar year to which such bonus has been earned and no later than the earlier of (x) the date that is ten (10) business days after the Company's receipt of its audited financial statements for the calendar year with respect to which such bonus has been earned and (y) December 31 of the calendar year following such year with respect to which such bonus has been earned."

[Signature Page to Second Amendment to Employment Agreement]

3. **Miscellaneous**.

a. Full Force and Effect. Except as expressly amended hereby, the Employment Agreement shall continue in full force and effect in accordance with the provisions thereof on the date hereof.

b. Governing Law; Venue. This Amendment shall be construed, interpreted, and governed in accordance with the laws of the State of Delaware, other than the conflict of laws provisions of such laws. The parties agree that any dispute arising out of or relating to this Amendment shall be brought in the state courts located in Williamson County, Tennessee or the United States District Court for the Middle District of Tennessee. Each party hereby waives any objection to the personal or subject matter jurisdiction and venue of such courts.

c. Headings. The headings of this Amendment are for the purposes of reference only and shall not affect the construction of the Employment Agreement.

d. Effectiveness. This Amendment shall be deemed fully effective as of the date first above written.

e. Counterparts. This Amendment may be executed in one or more counterparts all of which taken together shall constitute one and the same instrument.

f. Certain Definitions. Capitalized terms used in this Amendment not otherwise defined herein shall have the same meaning as set forth in the Employment Agreement.

[Signature Page Follows]

IN WITNESS WHEREOF, the Company has caused this Amendment to be duly executed and Executive has hereunto set Executive's hand, as of the day and year first above written.

ACADIA MANAGEMENT COMPANY, INC.

By: ______________________________
Debra K. Osteen
Chief Executive Officer

EXECUTIVE

____
Brian Farley

ACADIA
HEALTHCARE

Personal and Confidential
May 4, 2026

Brian Farley
Via e-mail: Brian.Farley@Acadiahealthcare.com

Re: <u>Retention Bonus Agreement</u>

Dear Brian:

Acadia Management Company, LLC, a Delaware limited liability company (the "***Company***"), is pleased to offer you the opportunity to earn a cash retention bonus (the "***Bonus***") on the terms and subject to the conditions set forth in this letter agreement (this "***Agreement***").

1. <u>Bonus Payment</u>. The total amount of the Bonus will be $800,000 less applicable taxes, deductions and withholdings. You will earn the Bonus if you remain continuously employed by the Company from the date of this Agreement through October 31, 2027 (the "***Bonus Date***"). Notwithstanding the foregoing, if your employment with the Company terminates due to an Involuntary Termination (as defined below) prior to the Bonus Date, you shall be entitled to the full amount of the Bonus, provided that you execute, within the time provided by the Company to do so (and do not exercise any applicable revocation rights), a release of all claims in a form acceptable to the Company (the "***Release***").

If earned, the Bonus will be paid to you in a lump sum cash payment on the Company's first regular pay date coincident with or next following the date that is 30 days after the earlier to occur of the Bonus Date or the effective date of the Release following an Involuntary Termination.

2. <u>Definitions</u>. For purposes of this Agreement:

a. "***Involuntary Termination***" means the termination of your employment by the Company without Cause (as defined below) or your resignation for Good Reason (as defined below) after the date of this Agreement and on or before the Bonus Date that results in you no longer being employed by the Company or any of its affiliates.

b. "***Cause***" has the meaning set forth in your Employment Agreement.

c. "**Employment Agreement**" means the Employment Agreement dated as of June 30, 2023, and Amended July 6, 2023, by and between you and the Company.

d. "***Good Reason***" has the meaning set forth in the Employment Agreement.

3. <u>No Right to Continued Employment; Other Benefits</u>. Nothing in this Agreement changes the "at will" nature of your employment (meaning either you or the Company may terminate your employment at any time and for any reason, or for no reason at all) or confers upon you the right to continue to be employed by the Company or any of its affiliates for any particular period of time.

The Bonus will not be taken into account to increase any benefits or compensation provided, or to continue coverage, under any other plan, program, policy or arrangement of the Company or any of its affiliates.

4. Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the Delaware (without regard to the conflicts of laws principles thereof) and applicable federal law.

5. **Counterparts; Amendment**. This Agreement may be executed in multiple counterparts and may be amended only by a written instrument executed by you and the Company.

6. Other Terms. Neither you nor your beneficiaries will be permitted to anticipate, encumber or dispose of any right, title, interest or benefit hereunder in any manner or any time until the Bonus has been paid to you.

Please review this Agreement carefully and, if you agree with all the terms and conditions as specified above, please sign and date this Agreement in the space below and return to Karen Ehlermann, the Company's SVP of Human Resources via email.

Sincerely,

ACADIA MANAGEMENT COMPANY, LLC

By: ____________________
Name: Debra Osteen
Title: Chief Executive Officer

ACKNOWLEDGED AND AGREED:

____
Brian Farley

Date: ____________________

Exhibit 22

List of Guarantor Subsidiaries

The following subsidiaries of the Company were, as of June 30, 2026, guarantors of the Company's 5.500% Senior Notes, 5.000% Senior Notes and 7.375% Senior Notes:

Acadia Florida Holdco, LLC
Acadia IN Holdco, LLC
Acadia JV Holdings, LLC
Acadia LaPlace Holdings, LLC
Acadia Management Company, LLC
Acadia Merger Sub, LLC
Acadia Reading Holdings, LLC
Acadia Realty Holdings, LLC
Acadiana Addiction Center, LLC
Advanced Treatment Systems, LLC
Aspen Education Group, Inc.
Aspen Youth, Inc.
ATS of Cecil County, LLC
ATS of Delaware, LLC
ATS of North Carolina, LLC
Azure Acres Treatment Center, LLC
Baton Rouge Treatment Center, LLC
Bayside Marin, Inc.
BCA of Detroit, LLC
Beckley Treatment Center, LLC
Belmont Behavioral Hospital, LLC
BGI of Brandywine, LLC
Blue Ridge Mountain Recovery Center, LLC
Bowling Green Inn of Pensacola, LLC
Bowling Green Inn of South Dakota, Inc.
Brooksville Behavioral Health Services, LLC
California Treatment Services, LLC
Cartersville Center, LLC
Cascade Behavioral Holding Company, LLC
Cascade Behavioral Hospital, LLC
Center for Behavioral Health - HA, LLC
Center for Behavioral Health-ME, Inc.
Center for Behavioral Health-PA, LLC
CenterPointe Behavioral Health System, LLC
CenterPointe Columbia Real Estate, LLC
CenterPointe Hospital of Columbia LLC
Chambersburg Comprehensive Treatment Center, LLC
Charleston Treatment Center, LLC
Chicago BH Hospital, LLC
Clarksburg Treatment Center, LLC
Clearbrook Treatment Centers, LLC
Commodore Acquisition Sub, LLC
Conway Behavioral Health, LLC
Concord CTC, LLC
Corrections - Comprehensive Treatment Centers, LLC
CP Acquisition Sub, LLC
CRC ED Treatment, LLC
CRC Group, LLC
CRC Health, LLC
CRC Health Oregon, LLC
CRC Health Treatment Clinics, LLC

CRC Recovery, Inc.
CRC Wisconsin RD, LLC
Crossroads Regional Hospital, LLC
Detroit Behavioral Institute, LLC
Discovery House CC, LLC
Discovery House CU, LLC
Discovery House of Central Maine, Inc.
Discovery House TV, Inc.
Discovery House Utah, Inc.
Discovery House WC, Inc.
Discovery House, LLC
Discovery House-BC, LLC
Discovery House-BR, Inc.
Discovery House-Group, LLC
Discovery House-LT, Inc.
Discovery House-NC, LLCDiscovery House-UC, Inc.
Duffy's Napa Valley Rehab, LLC
East Indiana Treatment Center, LLC
El Paso Behavioral Hospital, LLC
Evansville Treatment Center, LLC
Four Circles Recovery Center, LLC
Galax Treatment Center, LLC
Georgia CTC, LLC
Gifford Street Wellness Center, LLC
Greenbrier Acquisition, LLC
Greenbrier Holdings, L.L.C.
Greenbrier Hospital, L.L.C.
Greenleaf Center, LLC
Habilitation Center, LLC
Habit Opco, LLC
Hermitage Behavioral, LLC
HMIH Cedar Crest, LLC
Huntington Treatment Center, LLC
Indianapolis Treatment Center, LLC
Indio Behavioral Hospital, LLC
Integrated Treatment Centers, LLC
Jacksonville BH Services. LLC
Kids Behavioral Health Of Montana, Inc.
Lakeland Hospital Acquisition, LLC
Lewistown Comprehensive Treatment Center, LLC
Little Hills Healthcare, L.L.C.
Madison BH LLC
McCallum Group, LLC
Mesa Development Sub. LLC
Millcreek School of Arkansas, LLC
Millcreek Schools, LLC
Millerton Acquisition Sub, LLC
Milwaukee Health Services System, LLC
Mission Treatment Centers, Inc.
Mission Treatment Services, Inc.
Mississippi Comprehensive Treatment Centers, LLC
Mt. Airy Development, LLC
Muncie Treatment Center, LLC
North Port BH, LLC
Ohio Hospital For Psychiatry, LLC
Ohio Treatment Center, LLC

Options Treatment Center Acquisition Corporation
Parkersburg Treatment Center, LLC
PHC MeadowWood, LLC
PHC of Michigan, LLC
PHC of Utah, Inc.
PHC of Virginia, LLC
Piney Ridge Treatment Center, LLC
Pocono Mountain Recovery Center, LLC
Psychiatric Resource Partners, LLC
Quality Addiction Management, Inc.
R.I.S.A.T., LLC
Rebound Behavioral Health, LLC
Red River Holding Company, LLC
Red River Hospital, LLC
Rehabilitation Centers, LLC
Resolute Acquisition Corporation
Richland County Comprehensive Treatment Center, LLC
Richmond Treatment Center, LLC
Riverview Behavioral Health, LLC
Riverwoods Behavioral Health, LLC
Rock Crest LLC Limited Liability Company
Rolling Hills Hospital, LLC
RTC Resource Acquisition Corporation,
Sahara Health Systems, L.L.C.
San Diego Health Alliance
San Diego Treatment Services, LLC
SC Legacy Sub, LLC
Serenity Knolls
Seven Hills Hospital, LLC
Seymour Treatment Center, LLC
Sheltered Living Incorporated
Sierra Tucson, LLC
Signature Behavioral Hospital Operations, LLC
Signature Hospital of Leavenworth, LLC
SJBH, LLC
Sober Living by the Sea, Inc.
Sonora Behavioral Health Hospital, LLC
South Carolina CTC, LLC
Southern Indiana Treatment Center, LLC
Southstone Behavioral Healthcare Center, LLC
Southwestern Children’s Health Services, Inc.
Southwood Psychiatric Hospital, LLC
Starlite Recovery Center, LLC
Structure House, LLC
SUWS of the Carolinas, Inc.
Ten Broeck Tampa, LLC
Texarkana Behavioral Associates, L.C.
The Camp Recovery Center, LLC
The Pavilion at HealthPark, LLC
The Refuge, A Healing Place, LLC
TK Behavioral, LLC
TK Behavioral Holding Company, LLC
Transcultural Health Development, Inc.
Treatment Associates, Inc.
Utah Behavioral Health Services, LLC
Vallejo Acquisition Sub, LLC

Valley Behavioral Health System, LLC
Vermilion Hospital, LLC
Village Behavioral Health, LLC
Virginia Treatment Center, LLC
Vista Behavioral Holding Company, LLC
Vista Behavioral Hospital, LLC
WCHS, Inc.
Wellplace, LLC
Westminster Behavioral Health, LLC
Wheeling Treatment Center, LLC
White Deer Realty, LLC
White Deer Run, LLC
Wichita Treatment Center Inc.
Williamson Treatment Center, LLC
Wilmington Treatment Center, LLC
WP Acquisition Sub, LLC
Youth Care of Utah, Inc.

Exhibit 31.1

**CERTIFICATION OF CEO PURSUANT TO
RULE 13a-14(a)/15d-14(a), AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Debra K. Osteen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Acadia Healthcare Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: July 28, 2026

/s/ Debra K. Osteen
Debra K. Osteen
Chief Executive Officer and Director

Exhibit 31.2

CERTIFICATION OF CFO PURSUANT TO
RULE 13a-14(a)/15d-14(a), AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David M. Duckworth, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Acadia Healthcare Company, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: July 28, 2026

/s/ David M. Duckworth
David M. Duckworth
Interim Chief Financial Officer

Exhibit 32

**CERTIFICATIONS OF CEO AND CFO PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Acadia Healthcare Company, Inc. (the “Company”) for the quarterly period ended June 30, 2026, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Debra K. Osteen, Chief Executive Officer of the Company, and I, David M. Duckworth, Interim Chief Financial Officer of the Company, each certify, for the purpose of complying with 18 U.S.C. Section 1350 and Rule 13a-14(b) or Rule 15d-14(b) of the Securities Exchange Act of 1934 (the “Exchange Act”), as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Date: July 28, 2026

/s/ Debra K. Osteen
Debra K. Osteen
Chief Executive Officer and Director

/s/ David M. Duckworth
David M. Duckworth
Interim Chief Financial Officer