

Acadia Healthcare Company, Inc.
Form DEF 14A
April 10, 2015
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, DC 20549

SCHEDULE 14A

(Rule 14a-101)

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material Pursuant to Rule 14a-11(c) and Rule 14a-12

ACADIA HEALTHCARE COMPANY, INC.

(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials.

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount Previously Paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

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830 CRESCENT CENTRE DRIVE, SUITE 610

FRANKLIN, TENNESSEE 37067

April 10, 2015

TO OUR STOCKHOLDERS:

You are cordially invited to attend the 2015 Annual Meeting of Stockholders (the Annual Meeting) of Acadia Healthcare Company, Inc., to be held on Thursday, May 21, 2015, at 9:30 a.m. (Central Time), at our executive offices located at 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067. The matters to be acted upon at the Annual Meeting are more fully described in the accompanying Proxy Statement and related materials.

In accordance with rules adopted by the Securities and Exchange Commission, we are mailing to many of our stockholders a Notice of Internet Availability of Proxy Materials instead of a paper copy of the Proxy Statement and our 2014 Annual Report to Stockholders. The Notice of Internet Availability of Proxy Materials contains instructions on how stockholders can access the proxy documents over the internet as well as how stockholders can receive a paper copy of our proxy materials, including the Proxy Statement, the 2014 Annual Report to Stockholders and a form of proxy card.

It is important that your shares be represented at the Annual Meeting. Whether or not you plan to attend the Annual Meeting, please vote by proxy as soon as possible by following the instructions located in the Notice of Internet Availability of Proxy Materials sent to you or in the Proxy Statement. If you attend the Annual Meeting, you may withdraw your proxy and vote your shares personally.

We look forward to seeing you at the Annual Meeting.

Sincerely,

/s/ Joey A. Jacobs

Joey A. Jacobs
*Chairman, Director and Chief Executive
Officer*

YOUR VOTE IS IMPORTANT.

PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY CARD

AS PROMPTLY AS POSSIBLE.

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830 CRESCENT CENTRE DRIVE, SUITE 610

FRANKLIN, TENNESSEE 37067

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS

To Be Held May 21, 2015

TO OUR STOCKHOLDERS:

The 2015 Annual Meeting of Stockholders (the Annual Meeting) of Acadia Healthcare Company, Inc. will be held on Thursday, May 21, 2015, at 9:30 a.m. (Central Time), at our executive offices located at 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067, for the following purposes:

- (1) To elect two nominees as Class I directors;
- (2) To approve, on a non-binding advisory basis, the compensation of our named executive officers;
- (3) To ratify the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015; and
- (4) To transact any other business that properly comes before the Annual Meeting or any adjournments or postponements thereof.

The matters to be acted upon at the Annual Meeting are more fully described in the Proxy Statement and related materials. Please read the materials carefully.

The Board of Directors has fixed the close of business on March 27, 2015 as the record date for determining stockholders entitled to notice of and to vote at the Annual Meeting or any adjournments or postponements thereof.

By order of the Board of Directors,

/s/ Joey A. Jacobs

Joey A. Jacobs
Chairman, Director and Chief Executive Officer

Dated: April 10, 2015

IMPORTANT

WHETHER OR NOT YOU PLAN TO ATTEND THE ANNUAL MEETING IN PERSON, TO ASSURE THE PRESENCE OF A QUORUM, PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY CARD AS PROMPTLY AS POSSIBLE. IF YOU ATTEND THE MEETING AND WISH TO VOTE YOUR SHARES PERSONALLY, YOU MAY DO SO AT ANY TIME BEFORE THE PROXY IS EXERCISED.

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830 CRESCENT CENTRE DRIVE, SUITE 610

FRANKLIN, TENNESSEE 37067

PROXY STATEMENT

This Proxy Statement is furnished in connection with the solicitation by the Board of Directors (the Board or Board of Directors) of Acadia Healthcare Company, Inc. (the Company) of proxies to be voted at the 2015 Annual Meeting of Stockholders (the Annual Meeting), to be held at our executive offices located at 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067, on Thursday, May 21, 2015, at 9:30 a.m. (Central Time), for the purposes set forth in the accompanying notice, and at any adjournments or postponements thereof. This Proxy Statement and the accompanying proxy are first being mailed or made available to stockholders on or about April 10, 2015.

INFORMATION CONCERNING SOLICITATION AND VOTING

Record Date

The close of business on March 27, 2015 has been fixed as the record date for the determination of stockholders entitled to vote at the Annual Meeting. As of such date, we had 90,000,000 authorized shares of common stock, \$0.01 par value per share (Common Stock), of which 66,420,472 shares were outstanding and entitled to vote, and 10,000,000 authorized shares of preferred stock, \$0.01 par value per share, of which no shares were outstanding. Common Stock is our only outstanding class of voting stock. Each share of Common Stock will have one vote on each matter to be voted upon at the Annual Meeting.

Quorum Requirements

A majority of the shares of Common Stock entitled to vote, represented in person or by proxy, is required to constitute a quorum. Abstentions and broker non-votes will be counted for purposes of determining the presence of a quorum at the Annual Meeting. If a quorum is not present at the time of the Annual Meeting, the stockholders entitled to vote, present in person or represented by proxy, shall have the power to adjourn the Annual Meeting until a quorum shall be present or represented by proxy. The Annual Meeting may be adjourned from time to time, whether or not a quorum is present, by the affirmative vote of a majority of the votes present and entitled to be cast at the Annual Meeting.

Voting Procedures

Whether you hold shares directly as the stockholder of record or through a broker, trustee or other nominee, as the beneficial owner, you may direct how your shares are voted without attending the Annual Meeting. If you hold shares in street name, you must vote by giving instructions to your broker or nominee. You should follow the voting instructions on any form that you receive from your broker or nominee. The availability of telephone and Internet voting for shares held in street name will depend on your broker's or nominee's voting process. Please refer to the instructions in the materials provided in the Notice of Internet Availability of Proxy Materials or proxy card provided to you for information on the available voting methods.

If a proxy is properly given prior to or at the Annual Meeting and not properly revoked, it will be voted in accordance with the instructions, if any, given by the stockholder. Subject to the requirements described below, if no instructions are given, each proxy will be voted:

FOR the election as directors of the nominees described in this Proxy Statement;

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FOR the approval, on a non-binding advisory basis, of the compensation of our executive officers named in the section below entitled EXECUTIVE COMPENSATION Summary Compensation Table (the Named Executive Officers);

FOR ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015; and

In accordance with the recommendation of the Board on any other proposal that may properly come before the Annual Meeting or any adjournment thereof.

The persons named as proxies were selected by our Board of Directors.

Without your instructions, your broker or nominee is permitted to use its own discretion and vote your shares on certain routine matters (such as Proposal 3), but is not permitted to use its discretion and vote your shares on non-routine matters (such as Proposals 1 and 2). We urge you to give voting instructions to your broker or nominee on all proposals. Shares that are not permitted to be voted by your broker or nominee are called broker non-votes. Broker non-votes are not considered votes for or against a proposal and, therefore, will have no direct impact on any proposal.

Stockholders who give proxies have the right to revoke them at any time before they are voted by delivering a written request to Christopher L. Howard, Esq., Executive Vice President, General Counsel and Secretary, at 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067, prior to the Annual Meeting or by submitting another proxy at a later date. The giving of the proxy will not affect the right of a stockholder to attend the Annual Meeting and vote in person.

Miscellaneous

We will bear the cost of printing, mailing and other expenses in connection with this solicitation of proxies and will also reimburse brokers and other persons holding shares of Common Stock in their names or in the names of nominees for their expenses in forwarding the proxy materials to the beneficial owners of such shares. Certain of our directors, officers and employees may, without any additional compensation, solicit proxies in person or by telephone.

Our management is not aware of any matters other than those described in this Proxy Statement that may be presented for action at the Annual Meeting. If any other matters properly come before the Annual Meeting, it is intended that the proxies will be voted with respect thereto in accordance with the judgment of the person or persons voting such proxies subject to the direction of our Board of Directors.

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PROPOSAL 1: ELECTION OF DIRECTORS

Introduction

Our Amended and Restated Certificate of Incorporation provides that our Board of Directors shall be divided into three classes. All classes of directors have three-year terms. The terms of our Class I directors expire at the Annual Meeting.

In connection with the consummation of our acquisition of PHC, Inc. (PHC) on November 1, 2011, we entered into a stockholders agreement (the Former Stockholders Agreement) with certain members of our current and former management and Waud Capital Partners, L.L.C. and certain of its affiliates (collectively, WCP). Certain of our directors were designated in accordance with the Former Stockholders Agreement. See CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS Stockholders Agreement for additional information.

In connection with our acquisition of CRC Health Group, Inc. (CRC), we entered into an amended and restated stockholders agreement (the New Stockholders Agreement) with certain members of our current and former management (the Management Investors), WCP and investment funds affiliated with Bain Capital Partners, LLC (collectively, Bain Capital). The New Stockholders Agreement amended and replaced the Former Stockholders Agreement and became effective on February 11, 2015 in connection with the closing of our acquisition of CRC.

The New Stockholders Agreement grants WCP the right to designate, following the expiration of the current term of the Class II directors designated by WCP, one nominee for election to our Board of Directors for one additional three-year term. WCP also retains a consent right over the removal of existing directors designated by WCP and any vacancies in such designated board seats may be filled by WCP prior to the expiration of the current terms of such directors. See CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS Stockholders Agreement for additional information. The merger agreement related to our acquisition of CRC (the CRC Merger Agreement) provided that Christopher R. Gordon, a designee of Bain Capital, be appointed to our Board of Directors as a Class III director at the effective time of the merger.

Our Board of Directors has nominated the individuals named below under the caption Class I Nominees for election as directors to serve until the annual meeting of stockholders in 2018 and their successors have been elected and take office or until their earlier death, resignation or removal. Each nominee has consented to be a candidate and to serve if elected. Proxies cannot be voted for a greater number of persons than the nominees named.

Qualification of Directors

As described below, our Board of Directors is composed of individuals from differing backgrounds and experiences. We believe that each of our directors possesses unique qualifications, skills and attributes that complement the performance of the full Board. The experience that each has obtained from his professional background, as set forth below, has qualified him to serve on our Board of Directors.

Table of Contents**Class I Nominees**

The following table shows the names, ages and principal occupations of each of the nominees designated by our Board of Directors to become directors and the year in which each nominee was first appointed or elected to the Board of Directors:

Name	Age	Principal Occupation/Other Directorships	Director Since
E. Perot Bissell	55	Mr. Bissell is the Chairman and Chief Executive Officer of Next Generation Energy Logistics, LLC, an energy development company. Mr. Bissell previously served as the Vice Chairman of Pilot Logistics Services, a provider of drilling and exploration support services, from September 2012 until July 2013. From 2006 to 2012, he served as Chief Executive Officer for Maxum Petroleum, Inc., an independent energy logistics company. Prior to that, Mr. Bissell was a Partner of Northwest Capital Appreciation, Inc., a merchant banking and private equity firm, and before that, the Co-Managing Partner and Chief Financial Officer of SLP Capital, a specialty finance company. Mr. Bissell serves on the board of directors of Maxum Enterprises, LLC, a private company. Mr. Bissell also serves on a number of charitable boards. Our Board believes that Mr. Bissell is qualified to serve as a director because of, among other things, his extensive corporate finance background and his general business and financial acumen. Mr. Bissell was previously designated as a director by WCP.	2013
Hartley R. Rogers	55	Mr. Rogers is the Chairman of Hamilton Lane Advisors, a global private equity investment firm. Prior to joining Hamilton Lane in 2004, Mr. Rogers was a Managing Director in the Private Equity Division at Credit Suisse First Boston. In that capacity, he served as a senior partner and member of the Investment Committee of DLJ Merchant Banking Partners III, a private equity fund, and as a co-head of CSFB Equity Partners, a private equity fund. Prior to joining Credit Suisse in 1997, Mr. Rogers was a Managing Director at Morgan Stanley & Co., where he was the President of the General Partners of the Princes Gate Investors family of private equity funds and Head of the Morgan Stanley Bridge Fund. A graduate of Harvard College and Harvard Business School, Mr. Rogers worked at Morgan Stanley at various times and in various capacities from 1981 to 1997. Mr. Rogers has served on the board of directors of various private companies including Hamilton Lane Advisors and currently serves on the board of the Green Vale School. Our Board believes that Mr. Rogers is qualified to serve as a director because of, among other things, his extensive finance background and his general business and financial acumen.	2013

Required Vote

Directors are elected by a plurality of the votes cast by the holders of the shares of Common Stock entitled to vote in the election at a meeting at which a quorum is present. Our Amended and Restated Certificate of Incorporation does not provide for cumulative voting, and, accordingly, the stockholders do not have cumulative voting rights with

respect to the election of directors. Consequently, each stockholder may cast one vote per share of Common Stock held of record for each nominee. An abstention may not be specified with respect to the election of Class I nominees. Broker non-votes will have no effect on the outcome of the election. Unless a proxy specifies otherwise, or results in a broker non-vote because of the failure to execute or return the proxy to a broker with instructions, the persons named in the proxy will vote the shares covered thereby FOR the nominees designated by our Board of Directors. If a nominee becomes unavailable for election, shares covered by a proxy will be voted for a substitute nominee selected by our Board of Directors.

The Board of Directors recommends that the stockholders vote FOR each of the Class I nominees.

Table of Contents**Continuing Directors**

Each of the persons named below will continue to serve as a director until the annual meeting of stockholders in the year indicated and a successor is elected and takes office or until his earlier death, resignation or removal. Stockholders are not voting on the election of the Class II directors or Class III directors. The following table shows the names, ages, principal occupations and other directorships of each continuing director and the year in which each was first appointed or elected to our Board or that of our predecessor, Acadia Healthcare Company, LLC:

Name	Age	Principal Occupation/Other Directorships	Director Since
Class II			
Term Expiring in 2016			
William F. Grieco	61	Since 2008, Mr. Grieco has served as the Managing Director of Arcadia Strategies, LLC, a legal and business consulting organization servicing healthcare, science and technology companies. From 2003 to 2008, he served as Senior Vice President and General Counsel of American Science and Engineering, Inc., an x-ray inspection technology company. From 2001 to 2002, he served as Senior Vice President and General Counsel of IDX Systems Corporation, a healthcare information technology company. Previously, from 1995 to 1999, he was Senior Vice President and General Counsel for Fresenius Medical Care North America, a dialysis service and products company. Prior to that, Mr. Grieco was a partner in the Healthcare Department at Choate, Hall & Stewart, a general service law firm. Mr. Grieco previously served on the board of directors of PHC. Our Board believes that Mr. Grieco is qualified to serve as a director because of, among other things, his extensive knowledge of and experience in the healthcare industry and his general business and financial acumen. Mr. Grieco was designated as a director by Bruce A. Shear.	2011
Joey A. Jacobs	61	Mr. Jacobs serves as the Chairman of our Board and as our Chief Executive Officer. Mr. Jacobs has extensive experience in the behavioral health industry. Prior to joining the Company in 2011, he co-founded Psychiatric Solutions, Inc., a behavioral healthcare company (PSI) and served as Chairman, President and Chief Executive Officer of PSI from April 1997 to November 2010. Prior to founding PSI, Mr. Jacobs served for 21 years in various capacities with Hospital Corporation of America (HCA), most recently as President of the Tennessee Division. Mr. Jacobs background at HCA also included serving as president of HCA's Central Group, vice president of the Western Group, assistant vice president of the Central Group and assistant vice president of the Salt Lake City Division. Mr. Jacobs serves on the board of directors of AmSurg Corp. (NASDAQ:	2011

AMSG), Cumberland Pharmaceuticals, Inc. (NASDAQ: CPIX) and Mental Health Management, Inc. Our Board believes that Mr. Jacobs is qualified to serve as a director because of, among other things, his 38 years of experience in the healthcare industry and his general business and financial acumen.

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Name	Age	Principal Occupation/Other Directorships	Director Since
Kyle D. Lattner	30	Mr. Lattner is a Vice President of WCP and joined the firm in 2013. Prior to joining WCP, Mr. Lattner worked as an investment professional with American Securities LLC, a private equity firm, in New York from 2009 to 2011. Previously, Mr. Lattner was an investment banking analyst with each of Oppenheimer & Co. and CIBC World Markets in New York. Our Board believes that Mr. Lattner is qualified to serve as a director due to, among other things, his investment banking experience and financial acumen. Mr. Lattner was designated as a director by WCP.	2013
Reeve B. Waud	51	Mr. Waud formed WCP in 1993 and has served as the Managing Partner of WCP since that time. Prior to founding WCP, Mr. Waud was an investment professional at Golder, Thoma, Cressey, Rauner, Inc. (GTCR), a private equity investment group based in Chicago. Before joining GTCR, Mr. Waud was in the Corporate Finance Group of Salomon Brothers Inc and was a founding member of its Venture Capital Group. He serves on the board of directors of Northwestern Memorial Foundation, the philanthropic arm that supports the fundraising, grant-making and stewardship activities of Northwestern Memorial HealthCare (NMHC). He is also a member of the NMHC Finance Committee. Mr. Waud currently serves as an advisor to Green Courte Partners, a private equity, real estate investment firm. In addition, Mr. Waud is a member of the Commonwealth Club of Chicago, The Economic Club of Chicago and the Chicago Crime Commission. He is a trustee of St. Paul s School in Concord, New Hampshire and is a member of the executive committee and chairman of the audit committee of the John G. Shedd Aquarium. Our Board believes that Mr. Waud is qualified to serve as a director because of, among other things, his extensive knowledge of and experience in the healthcare industry and his general business and financial acumen. Mr. Waud was designated as a director by WCP.	2005

Class III**Term Expiring in 2017**

Christopher R. Gordon	42	Mr. Gordon has been a Managing Director of Bain Capital Partners, LLC (BCP) since 2009. Prior to joining BCP, Mr. Gordon was a consultant at Bain & Company, Inc. Mr. Gordon currently serves as a director of Air Medical Group Holdings, Inc., Beacon Health Options, Physio Control, Inc., Quintiles Transnational Corporation and <i>Grupo Notre Dame Intermedica</i> . Mr. Gordon also serves on the board of directors for Year Up Boston, the Boston Medical Center Foundation Board, the Boston Medical Center Health Plan Board and serves as a Trustee of the Dana Farber Cancer Center. Our Board believes that Mr. Gordon is qualified to serve as a director due to, among other things, his experience in the	2015
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healthcare industry and his general business and financial acumen. Mr. Gordon was designated as a director by Bain Capital.

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Name	Age	Principal Occupation/Other Directorships	Director Since
Wade D. Miquelon	50	Mr. Miquelon is the Chief Executive Officer and founder of WadeIn, a business advisory and investment holding company. He previously served as Chief Financial Officer, Executive Vice President and President International for Walgreen Co. (Walgreens) from June 2008 to August of 2014. From 2006 to 2008, he was Executive Vice President and Chief Financial Officer at Tyson Foods, Inc. From 1989 to 2006, Mr. Miquelon served Procter and Gamble (P&G) in a number of positions of increasing responsibility, most recently for three years as Vice President of Finance, Western Europe based in Geneva, Switzerland. Prior to that, Mr. Miquelon was P&G s head of Finance and Accounting for AAI (ASEAN, Australasia and India) based out of Singapore. Mr. Miquelon had multiple other roles at P&G including Chief Financial Officer for Thailand and Indochina, co-founder of the corporate venture capital fund, and various roles in corporate treasury, mergers and acquisitions and line finance. Mr. Miquelon has founded multiple businesses including Emmperative, an enterprise software marketing company. He currently serves on the Board and audit committee of the John G. Shedd Aquarium in Chicago. Our Board believes that Mr. Miquelon is qualified to serve as a director because of, among other things, his extensive knowledge and background in public accounting and finance.	2012
William M. Petrie, M.D.	68	Dr. Petrie is Professor of Clinical Psychiatry in the Department of Psychiatry at the Vanderbilt University School of Medicine, where he has served for more than 20 years. He is also Director, Vanderbilt Senior Assessment Clinic in the Department of Psychiatry at the Vanderbilt University School of Medicine. Previously, Dr. Petrie served as President and Co-Director of Research at Psychiatric Consultants, P.C., a leading psychiatry practice in Nashville, Tennessee, and Chairman, Department of Psychiatry, Parthenon Pavilion at Centennial Medical Center. Dr. Petrie served as a director for PSI from September 2004 until November 2010. Our Board believes that Dr. Petrie is qualified to serve as a director because of, among other things, his extensive healthcare experience, particularly in the psychiatric and behavioral healthcare fields.	2012
Bruce A. Shear	60	Mr. Shear serves as the Executive Vice Chairman of the Company. Prior to joining the Company in 2011, Mr. Shear served as President, Chief Executive Officer and a director of PHC beginning in 1980 and Treasurer of PHC from September 1993 until February 1996. From 1976 to 1980, he served as Vice President, Financial Affairs, of PHC. Our Board believes that Mr. Shear is qualified to serve as a director because of, among other things, his extensive knowledge of and experience in the healthcare industry and his knowledge of PHC.	2011

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PROPOSAL 2: NON-BINDING ADVISORY VOTE ON EXECUTIVE COMPENSATION

The Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act) enables our stockholders to vote to approve, on a non-binding advisory basis, the compensation of our Named Executive Officers as described below in the sections entitled COMPENSATION DISCUSSION AND ANALYSIS and EXECUTIVE COMPENSATION. Because your vote is advisory, it will not be binding on the Board of Directors or the Compensation Committee, override any decision made by the Board of Directors or the Compensation Committee or create or imply any additional fiduciary duty of the Board of Directors or the Compensation Committee. The Compensation Committee will, however, review the voting results and take them into consideration when making future decisions regarding executive compensation.

Our executive compensation program is vital to our ability to attract, motivate and retain a highly experienced team of executives. We believe that the program is structured in a manner that supports our company and our business objectives.

In accordance with Section 14A of the Securities Exchange Act of 1934, as amended, we are asking our stockholders to indicate their support for the compensation of our Named Executive Officers disclosed in this Proxy Statement. This proposal, commonly known as a say-on-pay proposal, gives our stockholders the opportunity to express their views on the compensation of our Named Executive Officers. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our Named Executive Officers and the philosophy, policies and practices described in this Proxy Statement. Accordingly, we ask our stockholders to vote FOR the following resolution at the Annual Meeting:

RESOLVED, that the Company's stockholders approve, on a non-binding advisory basis, the compensation of the Named Executive Officers as disclosed in the Company's Proxy Statement for the 2015 annual meeting of stockholders pursuant to Item 402 of Regulation S-K, including the sections entitled COMPENSATION DISCUSSION AND ANALYSIS and EXECUTIVE COMPENSATION.

Although the results of this advisory vote are not binding on the Board of Directors or the Compensation Committee, the Compensation Committee will review the voting results and take them into consideration when making future decisions regarding executive compensation.

The Board of Directors recommends that stockholders vote FOR the resolution to approve, on a non-binding advisory basis, the compensation of our Named Executive Officers.

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**PROPOSAL 3: RATIFICATION OF APPOINTMENT OF
INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee of the Board of Directors has appointed Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015. Representatives of Ernst & Young LLP are expected to be present at the Annual Meeting and will have an opportunity to make a statement if they desire and will be available to respond to appropriate questions. Although ratification is not required by our Bylaws or otherwise, our Board of Directors is submitting the selection of Ernst & Young LLP to our stockholders for ratification as a matter of good corporate practice.

Fees

The following table presents fees for professional services rendered by Ernst & Young LLP for the audit of our annual financial statements for the years ended December 31, 2014 and 2013, and fees incurred for other services rendered by Ernst & Young LLP for such years:

	2014	2013
Audit Fees ⁽¹⁾	\$ 2,120,234	\$ 1,487,302
Audit-Related Fees ⁽²⁾	379,909	405,135
Tax Fees ⁽³⁾	1,074,500	506,646
All Other Fees ⁽⁴⁾	40,000	
Total Fees	\$ 3,614,643	\$ 2,399,083

- (1) Primarily for the audit of our annual financial statements and the review of our quarterly financial statements, services provided in connection with registration statements filed with the SEC and acquisition due diligence services.
- (2) Primarily for tax and financial due diligence related to acquisitions.
- (3) Primarily for tax compliance services and other tax planning and tax advice services.
- (4) Primarily for information technology internet security assessment services.

Pre-approval of Auditor Services

The charter of the Audit Committee provides that the Audit Committee must pre-approve all auditing and non-auditing services to be provided by our auditor. In addition, the Audit Committee shall have the sole authority to approve any compensation to our auditor for any approved audit or non-audit services. For 2014, all services provided by Ernst & Young LLP were pre-approved by the Audit Committee. All non-audit services were reviewed by the Audit Committee, and the Audit Committee concluded that the provision of such services by Ernst & Young LLP was compatible with the maintenance of that firm's independence in the conduct of its auditing functions.

Required Vote

The affirmative vote of the holders of a majority of the shares of Common Stock present in person or represented by proxy at the Annual Meeting and entitled to vote on the matter is needed to ratify the appointment of Ernst & Young

LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015. Under Delaware law, an abstention will have the same legal effect as a vote against the ratification of Ernst & Young LLP, and broker non-votes will have no effect on the outcome of the ratification of the independent registered public accounting firm. If the appointment is not ratified, the matter will be referred to the Audit Committee for further review.

The Audit Committee and the Board of Directors recommend that the stockholders vote FOR ratification of the appointment of Ernst & Young LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2015.

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CORPORATE GOVERNANCE

Independence of the Board of Directors

Our Board annually reviews the independence of all of our directors and affirmatively makes a determination as to the independence of each director based on whether such director satisfies the definition of independent director as set forth in the applicable rules of The NASDAQ Stock Market. Our Board has determined that Messrs. Bissell, Gordon, Grieco, Lattner, Miquelon, Rogers and Waud and Dr. Petrie are independent directors.

Code of Conduct and Code of Ethics for Senior Financial Officers

Our Board of Directors has adopted a Code of Conduct which is applicable to all of our officers, employees and directors, including our Chief Executive Officer, Chief Financial Officer, the principal accounting officer or controller and all persons performing similar functions (together, the Senior Financial Officers). In addition, our Board has adopted a Code of Ethics that applies to the Senior Financial Officers. Both the Code of Conduct and the Code of Ethics are available on our website at www.acadiahealthcare.com under the webpage Investors Corporate Governance.

Committees of the Board of Directors

Our Board of Directors has established three standing committees a Compensation Committee, an Audit Committee and a Nominating Committee, each of which is described below.

Compensation Committee

Our Board of Directors has appointed a Compensation Committee to assist it with executive compensation matters. The primary responsibilities and duties of the Compensation Committee are:

Reviewing and approving for the Chief Executive Officer and other executive officers (a) the annual base salary level, (b) bonus and other annual incentives, (c) equity compensation, (d) employment agreements, severance arrangements and change in control arrangements, and (e) any other benefits, compensation, compensation policies or arrangements;

Reviewing and making recommendations to the Board regarding the compensation policy for such other officers as directed by the Board;

Preparing a report to be included in the annual report or proxy statement that describes: (a) the criteria on which compensation paid to the Chief Executive Officer for the last completed fiscal year is based; (b) the relationship of such compensation to our performance; and (c) the Compensation Committee's executive compensation policies applicable to executive officers; and

Overseeing the administration and approval of our current equity-based compensation plans and making recommendations to our Board of Directors with respect to amendments to the plans, changes

in the number of shares reserved for issuance thereunder and other equity-based compensation plans proposed for adoption.

The Compensation Committee is currently composed of Mr. Miquelon and Dr. Petrie, with Mr. Miquelon serving as Chairman. During 2014, the Compensation Committee held four meetings. The Compensation Committee has a written charter that is available on our website at www.acadiahealthcare.com under the webpage Investors Corporate Governance.

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Audit Committee

Our Board of Directors has appointed an Audit Committee to assist it in fulfilling its oversight responsibilities for our financial reports, systems of internal control over financial reporting and accounting policies, procedures and practices. The primary responsibilities and duties of the Audit Committee are:

Appointing, retaining, evaluating and, when appropriate, replacing our independent registered public accounting firm, whose duty it is to audit our financial statements and our internal control over financial reporting for the fiscal year in which it is appointed;

Determining the compensation to be paid to our independent registered public accounting firm (subject to ratification by our stockholders) and, in its sole discretion, approving all audit and engagement fees and terms and pre-approve all auditing and non-auditing services of our independent registered public accounting firm;

Reviewing and discussing our system of internal control over financial reporting, audit procedures and the adequacy and effectiveness of our disclosure controls and procedures with management, our independent registered public accounting firm and our internal auditors;

Reviewing the internal audit function of the Company, including the independence of its reporting obligations and the adequacy of the internal audit budget and staffing;

Reviewing and discussing with management and our independent registered public accounting firm the audited financial statements to be included in our Annual Report on Form 10-K, the quarterly financial statements to be included in our Quarterly Reports on Form 10-Q, our disclosures under Management's Discussion and Analysis of Financial Condition and Results of Operations and the selection, application and disclosure of critical accounting policies used in our financial statements;

Reviewing and discussing with management the Company's major risk exposures with respect to the Company's accounting and financial reporting policies and procedures;

Reviewing and discussing with management all existing related-party transactions and approving any proposed related-party transactions to ensure that they are in our best interest;

Reviewing and discussing with management the quarterly earnings press releases and financial information and earnings guidance provided to analysts and rating agencies;

Establishing and overseeing procedures for receiving, retaining and treating complaints received by the Company regarding accounting, internal accounting controls or auditing matters; and

Reviewing and reassessing the performance of the Audit Committee and the adequacy of the Audit Committee charter adopted by our Board of Directors and recommending proposed changes to the Board.

The Audit Committee is currently composed of Messrs. Bissell, Grieco and Rogers, with Mr. Grieco serving as Chairman. Our Board of Directors has determined that each of Messrs. Bissell, Grieco and Rogers is an audit committee financial expert as defined in rules promulgated by the SEC under the Securities Exchange Act of 1934, as amended (the Exchange Act), and that each member of the Audit Committee meets the financial literacy requirements under the Sarbanes-Oxley Act of 2002 (the Sarbanes-Oxley Act) and rules and regulations of NASDAQ and the SEC. Our Board has determined that each of Messrs. Bissell, Grieco and Rogers satisfies the independence requirements for audit committee members set forth in the applicable rules of The NASDAQ Stock Market. The Audit Committee held four meetings during 2014. The Audit Committee has a written charter available on our website, www.acadiahealthcare.com under the webpage Investors Corporate Governance.

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Nominating Committee

Given the history of the Company and the contractual rights of certain stockholders to designate director nominees, all nominating functions have been handled historically by all of the independent directors serving on the Board. In May 2014, our Board of Directors appointed a Nominating Committee to assist it with director nominations matters. The primary responsibilities and duties of the Nominating Committee are:

Identify, recruit and recommend individuals qualified to serve on the Board;

Review the qualifications and performance of incumbent directors to determine whether to recommend them as nominees for reelection;

Review and consider candidates who may be properly suggested by any director or executive office of the Company, or by any stockholder of the Company;

Periodically review the composition of the Board, including size of the Board and the minimum qualifications for director nominees; and

Carry out such other responsibilities delegated by the Board relating to the our director nominations process and procedures.

The Nominating Committee is currently composed of Messrs. Bissell and Grieco and Dr. Petrie, with Mr. Bissell serving as Chairman. During 2014, the Nominating Committee held one meeting. The Nominating Committee does not have a written charter at this time.

Meetings of our Board of Directors and Committees

During 2014, our Board of Directors held a total of eight meetings. Each director, other than Mr. Rogers, attended 75% or more of the meetings of our Board and the committees of our Board of Directors on which such director served.

Nomination of Directors

Nominations By the Nominating Committee

Directors may be nominated by our Nominating Committee, Board, executive officers or by our stockholders in accordance with our Bylaws, Amended and Restated Certificate of Incorporation, New Stockholders Agreement, applicable laws and any guidelines developed by Nominating Committee or the Board. The Nominating Committee is responsible for identifying individuals qualified to become members of the Board and its committees, and recommending candidates for the Board's selection as director nominees for election at the annual or other properly convened meeting of the stockholders in accordance with our Bylaws and applicable laws and regulations. The Nominating Committee meets to discuss and evaluate the qualities and skills of each candidate, both on an individual basis and taking into account the overall composition and needs of the Board. The Nominating Committee consider

each identified candidate's qualifications, which include the nominee's experience, business acumen, education, integrity, character, commitment, diligence, conflicts of interest and ability to exercise sound business judgment. While we have not established diversity standards for nominees, as a matter of practice, we generally seek nominees with a broad diversity of experience, professions, skills and backgrounds. We do not currently pay a fee to any third party to identify or assist in identifying or evaluating potential nominees.

Nominations By Our Stockholders

Our Bylaws govern stockholder nominations of directors. To make a director nomination at the 2016 annual meeting, a stockholder must deliver a written notice (containing certain information specified in our Bylaws as discussed below) to Christopher L. Howard, Esq., Executive Vice President, General Counsel and Secretary, at Acadia Healthcare Company, Inc., 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067 between the

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dates of January 22, 2016 and February 21, 2016. If the date of the 2016 annual meeting is more than 30 days before or more than 70 days after May 21, 2016, the stockholder's notice must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made by the Company.

To make a director nomination to be voted on at a special meeting of stockholders called for the purpose of electing directors, a stockholder must deliver written notice to our secretary at the address above no earlier than the close of business on the 120th day prior to such special meeting and no later than the close of business on the later of the 90th day prior to such special meeting or the tenth day following the day on which we first publicly announce the date of the special meeting and the nominees proposed by the Board to be elected at such meeting. These requirements are separate from and in addition to the SEC's requirements that a stockholder must meet to have a stockholder proposal included in the Proxy Statement, which requirements are described in the section below entitled "GENERAL INFORMATION - Stockholder Proposals for 2016 Annual Meeting."

For a stockholder nomination to be deemed proper, other than a nomination pursuant to the New Stockholders Agreement, the notice must contain certain information specified in our Bylaws, including information as to the director nominee(s) proposed by the stockholder, the name and address of the stockholder, the class and number of shares of our capital stock beneficially owned by the stockholder, a description of all arrangements or understandings between the stockholder and any other persons (including each proposed nominee(s) if applicable) in connection with the proposed nominations, and a representation that such stockholder intends to appear in person or by proxy at the meeting to bring such business or nominate the person(s) named in the notice.

Communicating with the Board

All stockholder communications with our Board of Directors should be directed to Christopher L. Howard, Esq., Executive Vice President, General Counsel and Secretary, at Acadia Healthcare Company, Inc., 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067, and should prominently indicate on the outside of the envelope that it is intended for our Board of Directors or for an individual director. Each communication intended for our Board of Directors and received by Mr. Howard will not be opened, but will be promptly forwarded unopened to the Chairman of the Audit Committee following its clearance through normal security procedures.

Attendance by Members of the Board of Directors at the Annual Meeting of Stockholders

We encourage each member of our Board of Directors to attend the annual meeting of stockholders. Each director, other than Mr. Rogers, attended the 2014 annual meeting of stockholders.

Board Leadership Structure

The Board believes that our Chief Executive Officer is best situated to serve as Chairman of our Board of Directors because he is the director most familiar with our business and industry, and most capable of effectively identifying strategic priorities and leading the discussion and execution of strategy. Independent directors and management have different perspectives and roles in strategy development. Our independent directors bring experience, oversight and expertise from outside our company and industry, while the Chief Executive Officer brings company-specific experience and expertise. Our Board of Directors believes that the combined role of Chairman and Chief Executive Officer promotes strategy development and execution, and facilitates information flow between management and the Board, which are essential to effective governance. Mr. Waud currently serves as Lead Director of the Board, with such rights and responsibilities as may be designated by the Board from time to time.

Risk Oversight

Our Board is responsible for overseeing our risk management process. The Board fulfills its responsibility by delegating many of these functions to its committees. Under its charter, the Audit Committee is responsible for meeting periodically with management to review our major financial risks and the steps management has taken to monitor and control such risks. The Audit Committee also oversees our financial reporting and internal controls and compliance programs.

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The Board receives reports on risk management from our senior officers and from the Chairman of the Audit Committee. Also, our Executive Vice President, General Counsel and Secretary provides a summary of our outstanding litigation and any governmental investigations to our Board at each Board meeting. Additionally, our Board regularly engages in discussions of the most significant risks that we are facing and how these risks are being managed. Our Board of Directors believes that the work undertaken by the Audit Committee, together with the oversight provided by the full Board of Directors, enables the Board to oversee our risk management function effectively.

Non-Management Executive Sessions

We had six independent directors in 2014, Messrs. Bissell, Grieco, Allan B. Hubbard, Miquelon and Rogers and Dr. Petrie. Mr. Hubbard resigned from the Board in May 2014. During 2014, there were four executive sessions of the independent directors.

Compensation Committee Interlocks and Insider Participation

Until May 2014, the Compensation Committee consisted of Messrs. Hubbard and Miquelon and Dr. Petrie. Mr. Hubbard ceased to be a member of the Compensation Committee when he resigned from the Board in May 2014. Since May 2014, the Compensation Committee has consisted of Mr. Miquelon and Dr. Petrie, neither of whom has at any time been one of our officers or employees. None of the members of the Compensation Committee had any relationship during 2014 requiring disclosure by us. None of our executive officers serves, or in the past year served, as a member of the board of directors or compensation committee of any entity that has or had one or more of its executive officers serving on our Board or Compensation Committee.

Policy on Reporting of Concerns Regarding Accounting Matters

The Audit Committee has adopted a policy on the reporting of concerns regarding accounting, internal accounting controls or auditing matters. We have established a compliance hotline called ValuesLine (800-500-0333), which is administered by a third party, as a hotline for the receipt, retention and treatment of complaints from employees or others regarding accounting, internal accounting controls and auditing matters. Information received through the hotline is conveyed directly to our Chief Compliance Officer. Complaints relating to accounting, internal accounting controls or auditing matters will then be directed to the Chairman of the Audit Committee. Any complaint may be made anonymously if the claimant so desires, and all claimants will be provided confidentiality in the handling of the complaint.

Procedure for Approval of Transactions with Related Persons

We have established policies and other procedures regarding approval of transactions between the Company and any employee, officer, director, and certain of their family members and other related persons, including those required to be reported under Item 404 of Regulation S-K promulgated under the Securities Act of 1933, as amended (the Securities Act). These policies and procedures are generally not in writing, but are evidenced by principles set forth in our Code of Conduct or adhered to by our Board. As set forth in the Audit Committee Charter, the Audit Committee reviews and approves all related person transactions after reviewing such transaction for potential conflicts of interests and improprieties. Accordingly, all such related person transactions are submitted to the Audit Committee for ongoing review and oversight. Generally speaking, we enter into related person transactions only on terms that we believe are at least as favorable to the Company as those that we could obtain from an unrelated third party. See the section below entitled "CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS" for additional information.

Table of Contents**MANAGEMENT****Executive Officers**

Below are the names and ages (as of April 10, 2015) of our executive officers and a brief account of the business experience of the executive officers who are not members of our Board.

Name	Age	Title
Joey A. Jacobs	61	Chairman and Chief Executive Officer
Ronald M. Fincher	61	Chief Operating Officer
Brent Turner	49	President
Christopher L. Howard	48	Executive Vice President, General Counsel and Secretary
David M. Duckworth	35	Chief Financial Officer
Bruce A. Shear	60	Executive Vice Chairman

The term of each executive officer runs until his or her successor is appointed and qualified, or until his or her earlier death, resignation or removal.

Ronald M. Fincher joined the Company in February 2011 and has served as our Chief Operating Officer since that time. Previously, Mr. Fincher served as PSI's Chief Operating Officer from October 2008 to November 2010. As Chief Operating Officer of PSI, Mr. Fincher oversaw hospital operations for 95 facilities. Mr. Fincher served as PSI's Division President from April 2003 to October 2008. As a Division President, Mr. Fincher was responsible for managing the operations of multiple inpatient behavioral healthcare facilities owned by PSI. Prior to joining PSI, Mr. Fincher served as a Regional Vice President of Universal Health Services, Inc. from 2000 until 2003.

Brent Turner joined the Company in February 2011 and served as Co-President from that time until April 2012, when he was named President. Previously, Mr. Turner served as the Executive Vice President, Finance and Administration of PSI from August 2005 to November 2010 and as the Vice President, Treasurer and Investor Relations of PSI from February 2003 to August 2005. From late 2008 through 2010, Mr. Turner also served as a Division President of PSI overseeing facilities in Texas, Illinois and Minnesota. From 1996 until January 2001, Mr. Turner was employed by Corrections Corporation of America, a prison operator, serving as Treasurer from 1998 to 2001.

Christopher L. Howard joined the Company in February 2011 and has served as our Executive Vice President, General Counsel and Secretary since that time. Before joining the Company, Mr. Howard served as PSI's Executive Vice President, General Counsel and Secretary from September 2005 to November 2010. Prior to joining PSI, Mr. Howard was a partner at Waller Lansden Dortch & Davis, LLP, a law firm based in Nashville, Tennessee.

David M. Duckworth joined the Company as our Controller in April 2011 and became Chief Accounting Officer in January 2012 and Chief Financial Officer in July 2012. From May 2010 to April 2011, Mr. Duckworth served as Director of Finance at Emdeon Inc., a leading provider of revenue and payment cycle management and clinical information exchange solutions. Prior to joining Emdeon, Mr. Duckworth was a Manager with Ernst & Young LLP, which he joined in 2002.

Table of Contents**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The table below sets forth information with respect to ownership of our Common Stock, as of March 27, 2015, by:

Each person who we know to be the beneficial owner of more than 5% of the outstanding shares of Common Stock;

Each of our directors and nominees;

Each of our Named Executive Officers; and

All of our directors and executive officers as a group.

To our knowledge, unless otherwise indicated, each stockholder listed below has sole voting and investment power with respect to the shares beneficially owned. All computations are based on 66,420,472 shares of Common Stock outstanding on March 27, 2015, unless otherwise indicated.

Name of Beneficial Owner⁽¹⁾	Amount and Nature of Beneficial Ownership⁽²⁾	Percent of Class
Waud Capital Partners, L.L.C.	11,788,476 ⁽³⁾	17.7%
	5,834,273 ⁽⁴⁾	8.8%
	2,159,721 ⁽⁴⁾⁽⁵⁾	3.2%
	19,782,470	29.7%
Reeve B. Waud	11,788,476 ⁽³⁾	17.7%
	5,834,273 ⁽⁴⁾	8.8%
	2,159,721 ⁽⁴⁾⁽⁵⁾	3.2%
	19,782,470	29.7%
Bain Capital Investors, LLC ⁽⁶⁾	5,860,976 ⁽⁶⁾	8.8%
JPMorgan Chase & Co. ⁽⁷⁾	3,457,705	5.2%
Joey A. Jacobs ⁽⁸⁾	997,457	1.5%
Ronald M. Fincher ⁽⁹⁾	230,991	*
Brent Turner ⁽¹⁰⁾	269,383	*
Christopher L. Howard ⁽¹¹⁾	222,599	*
David M. Duckworth ⁽¹²⁾	35,988	*
Bruce A. Shear ⁽¹³⁾	71,172	*
William F. Grieco ⁽¹⁴⁾	62,029	*
Wade D. Miquelon ⁽¹³⁾	17,534	*
William M. Petrie, M.D. ⁽¹⁵⁾	9,255	*
E. Perot Bissell ⁽¹³⁾	5,466	*
Kyle D. Lattner ⁽³⁾⁽¹³⁾	5,466	*

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Hartley R. Rogers ⁽¹³⁾	5,466	*
Christopher R. Gordon ⁽¹⁶⁾	5,847,728	8.8%
All directors and executive officers as a group (14 persons) ⁽¹⁷⁾	20,023,160	30.1%

* Less than 1%

- (1) Unless otherwise indicated, the address of each beneficial owner is c/o Acadia Healthcare Company, Inc., 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067.
- (2) Under SEC rules, the number of shares shown as beneficially owned includes shares of Common Stock subject to options that currently are exercisable or will be exercisable within 60 days of March 27, 2015. Such shares are deemed to be outstanding for the purpose of computing the percent of class for that individual, but are not deemed outstanding for the purpose of computing the percentage of any other person.
- (3) Information is based solely on the Schedule 13D filed by WCP and its affiliates with the SEC on February 17, 2015. The 11,788,476 shares of Common Stock are owned of record as follows: (i) 2,038,125 shares by Waud Capital Partners II, L.P. (WCP II); (ii) 3,726,016 shares by Waud Capital Partners QP II, L.P.

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(Waud QP II); (iii) 648,507 shares by the Reeve B. Waud 2011 Family Trust; (iv) 72,057 shares by Waud Family Partners, L.P. (WFP LP); (v) 568,655 shares by WCP FIF II (Acadia), L.P. (WCP FIF II); (vi) 582,401 shares by Waud Capital Affiliates II, L.L.C. (Waud Affiliates II); (vii) 298,889 shares by Waud Capital Affiliates III, L.L.C. (Waud Affiliates III); (viii) 811,863 shares by WCP FIF III (Acadia), L.P. (WCP FIF III); (ix) 1,849,888 shares by Waud Capital Partners QP III, L.P. (Waud QP III); (x) 327,133 shares by Waud Capital Partners III, L.P. (WCP III); (xi) 6,071 shares of restricted stock by Mr. Waud; (xii) 795,667 shares by Crystal Cove LP; (xiii) 33,333 shares by Melissa W. Waud, Mr. Waud's wife; (xiv) 25,4400 shares by Waud Capital Partners, L.L.C.; and (xv) 4,431 shares by Kyle D. Lattner.

Waud Capital Partners Management II, L.P. (WCPM II), as the general partner of WCP II, Waud QP II and WCP FIF II and the manager of Waud Affiliates II, and Waud Capital Partners II, L.L.C. (Waud II LLC), as the general partner of WCPM II, may be deemed to share beneficial ownership of the shares held of record by such entities. Waud Capital Partners Management III, L.P. (WCPM III), as the general partner of WCP III, Waud QP III and WCP FIF III and the manager of Waud Affiliates III, and Waud Capital Partners III, L.L.C. (Waud III LLC), as the general partner of WCPM III, may be deemed to share beneficial ownership of the shares held of record by such entities. Mr. Waud may be deemed to beneficially own the shares of Common Stock held by each of the above entities by virtue of his (A) making decisions for the limited partner committee of each of WCPM II and WCPM III, (B) being the manager of Waud II LLC and Waud III LLC, (C) being the general partner of WFP LP and Crystal Cove LP, (D) being the investment advisor of the Reeve B. Waud 2011 Family Trust, (E) being married to Ms. Waud, and (F) being the sole manager of WCP.

The address for each of the entities named in this footnote is c/o Waud Capital Partners, L.L.C., 300 North LaSalle Street, Suite 4900, Chicago, Illinois 60654.

- (4) As described in the section below entitled **CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS** Stockholders Agreement, the parties to the New Stockholders Agreement agreed to vote their shares in favor of a WCP designee as directed by the holders of a majority of the stock held by WCP. As a result, WCP II, WCPM II, Waud II LLC and Mr. Waud may be deemed to share beneficial ownership of the 2,159,721 shares held by the Management Investors and the 5,834,273 shares held by Bain Capital. As a result, the following shares beneficially owned by the Management Investors are included in the shares reported by WCP and Mr. Waud: (1) 379,808 shares by Mr. Jacobs, (2) 308,825 shares by the Jeremy Brent Jacobs GST Non-Exempt Trust u/a/d 04/26/2011 (the Jeremy Jacobs Trust), (3) 308,824 shares by the Scott Douglas Jacobs GST Non-Exempt Trust u/a/d 04/26/2011 (the Scott Jacobs Trust), (4) 63,131 shares by Mr. Turner, (5) 103,126 shares by the Elizabeth Grace Turner 2011 Vested Trust (the Elizabeth Turner Trust), (6) 103,126 shares by the William Jesse Turner 2011 Vested Trust (the William Turner Trust), (7) 129,450 shares by Mr. Fincher, (8) 33,847 shares by the Ras W. Fincher II Trust u/a/d 9/13/11 (the Ras Fincher Trust), (9) 33,847 shares by the Morgan M. Fincher Trust u/a/d 9/13/11 (the Morgan Fincher Trust) and (10) 33,847 shares by the Cody C. Fincher Trust u/a/d 9/13/11 (the Cody Fincher Trust), (11) 144,859 shares by Jack E. Polson, (12) 51,084 shares by the Jack E. Polson Family 2013 Grantor Retained Annuity Trust, (13) 222,599 shares by Mr. Howard, (14) 63,384 shares by Danny Carpenter, (15) 74,630 shares by Robert Swinson, (16) 86,410 shares by Fred T. Dodd, Jr., and (17) 18,924 shares by Randall Goldberg. Information with respect to the shares held by Bain Capital is further described below.
- (5) Includes 67,644 shares of restricted stock and options to purchase 95,697 shares of Common Stock.
- (6) Information is based solely on the Schedule 13D filed by Bain Capital with the SEC on February 23, 2015. The 5,860,976 shares of Common Stock are owned of record as follows: (i) 4,981,551 shares of Common Stock are

held by Bain Capital Fund VIII, LLC (Fund VIII); (ii) 655,626 shares of Common Stock are held by Bain Capital VIII Coinvestment Fund, LLC (Coinvestment Fund VIII); (iii) 1,840 shares of Common Stock are held by BCIP Associates G (Associates G); (iv) 111,451 shares of Common Stock are held by BCIP Associates III, LLC (BCIP III); (v) 50,580 shares of Common Stock are held by BCIP T Associates III, LLC (BCIP T III); (vi) 15,258 shares of Common Stock are held by BCIP Associates III-B, LLC (BCIP III-B); (vii) 3,108 shares of Common Stock are held by BCIP T Associates III-B, LLC (BCIP T III-B); (viii) 26,703 shares of Common Stock are held by Bain Capital (CR) L.P. (BCCR, and collectively with Fund VIII, Coinvestment Fund VIII, Associates G, BCIP III, BCIP T III,

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BCIP III-B and BCIP T III-B, the Bain Capital Entities); and (ix) 14,859 shares of Common Stock are held by RGIP, LP (RGIP). At noted above, the 5,834,273 shares beneficially owned by the Bain Capital Entities (other than Bain Capital (CR) L.P.) and RGIP are included in the shares reported by WCP and Mr. Waud. Bain Capital Investors, LLC (BCI) is the sole general partner of Bain Capital Partners VIII, L.P., which is the sole member of both (i) Bain Capital Fund VIII, L.P., the sole member of Fund VIII, and (ii) Bain Capital VIII Coinvestment Fund, L.P., the sole member of Coinvestment Fund VIII. BCI is also the managing partner of (i) Associates G, (ii) BCIP Associates III, which is the manager of both BCIP Associates and BCIP T Associates, and (iii) BCIP Associates III-B, which is the manager of both BCIP Associates III-B and BCIP T Associates III-B. BCI is also the general partner of Bain Capital (CR) L.P. RGIP GP, LLC is the general partner of RGIP, LP. The address for each of the Bain Capital Entities is c/o Bain Capital Investors, LLC, John Hancock Tower, 200 Clarendon Street, Boston, MA 02116. The address for RGIP is c/o Ropes & Gray LLP, Prudential Tower, 800 Boylston St., Boston, MA 02199.

- (7) Information is based solely on the Schedule 13G filed by JPMorgan Chase & Co. (JPMorgan) with the SEC on January 23, 2015. JPMorgan reported that it possessed (i) sole voting power with respect to 3,272,892 shares, (ii) sole dispositive power with respect to 3,450,388 shares, and (iii) shared dispositive power with respect to 17 shares. The address for JPMorgan is 270 Park Avenue, New York, New York 10017.
- (8) Includes 308,825 shares held by the Jeremy Jacobs Trust, 308,824 shares held by the Scott Jacobs Trust, 30,295 shares of restricted stock and options to purchase 43,794 shares of Common Stock.
- (9) Includes 33,847 shares held by the Ras Fincher Trust, 33,847 shares held by the Morgan Fincher Trust, 33,847 shares held by the Cody Fincher Trust, 10,236 shares of restricted stock and options to purchase 14,263 shares of Common Stock.
- (10) Includes 103,126 shares held by the Elizabeth Turner Trust, 103,126 shares held by the William Turner Trust, 10,041 shares of restricted stock and options to purchase 16,535 shares of Common Stock.
- (11) Includes 8,246 shares of restricted stock and options to purchase 11,643 shares of Common Stock.
- (12) Includes 11,427 shares of restricted stock and options to purchase 14,028 shares of Common Stock.
- (13) Includes 2,609 shares of restricted stock.
- (14) Includes 2,609 shares of restricted stock and options to purchase 30,000 shares of Common Stock.
- (15) Includes 4,206 shares of restricted stock.
- (16) Represents 1,611 shares of restricted stock. As Managing Director of BCI, Mr. Gordon may be deemed to share beneficial ownership of the 5,847,728 shares held of record by the Bain Capital Entities.
- (17) Includes 97,787 shares of restricted stock and options to purchase 130,263 shares of Common Stock.

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Section 16(a) Beneficial Ownership Reporting Compliance

Section 16(a) of the Exchange Act requires our directors, executive officers and persons who beneficially own more than 10% of our Common Stock to file with the SEC initial reports of ownership and reports of changes in ownership of our Common Stock. These officers, directors and greater than 10% stockholders are required by SEC rules to furnish us with copies of all Section 16(a) reports they file. There are specific due dates for these reports and we are required to report in this Proxy Statement any failure to file reports in a timely manner as required during 2014. Based upon a review of these filings and written representations from our directors and executive officers, we believe that all reports required to be filed with the SEC pursuant to Section 16(a) during 2014 were filed in a timely manner except:

Danny Carpenter filed a report on Form 4 on November 7, 2014 with respect to the disposition of Common Stock as of September 16, 2013;

Fred T. Dodd, Jr. filed a report on Form 4 on March 21, 2014 with respect to the acquisition of Common Stock as of February 27, 2014 and on December 5, 2014 with respect to the disposition of Common Stock as of November 10, 2014;

David M. Duckworth filed a report on Form 4 on March 3, 2014 with respect to the net acquisition of Common Stock as of February 21, 2014;

Randall Goldberg filed a report on Form 4 on March 21, 2014 with respect to the acquisition of Common Stock as of February 27, 2014;

William F. Grieco filed a report on Form 4 on January 13, 2014 with respect to the acquisition of Common Stock as of January 6, 2014 and on December 16, 2014 with respect to the acquisition of Common Stock as of December 4, 2014;

Kyle D. Lattner filed a report on Form 4 on June 9, 2014 with respect to the acquisition of Common Stock as of May 22, 2014 and the disposition of Common Stock as of May 23, 2014;

Jack E. Polson filed a report on Form 4 on August 27, 2014 with respect to the disposition of Common Stock as of July 29, 2014;

Bruce A. Shear filed a report on Form 4 on March 14, 2014 with respect to the acquisition of Common Stock as of November 27, 2013 and on June 17, 2014 with respect to the acquisition of Common Stock as of May 30, 2014;

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Robert Swinson filed a report on Form 4 on June 17, 2014 with respect to the disposition of Common Stock as of December 20, 2013 and December 23, 2013;

Reeve B. Waud filed a report on Form 4 on June 9, 2014 with respect to the acquisition of Common Stock as of May 22, 2014; and

Waud Capital Partners, L.L.C. filed a report on Form 4 on June 9, 2014 with respect to the acquisition of Common Stock as of May 22, 2014.

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COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis describes the compensation arrangements we have with our Named Executive Officers, as required under the rules of the SEC. Our Named Executive Officers for 2014 were:

Name	Title
Joey A. Jacobs	Chief Executive Officer
Ronald M. Fincher	Chief Operating Officer
Brent Turner	President
Christopher L. Howard	Executive Vice President, General Counsel and Secretary
David M. Duckworth	Chief Financial Officer

Executive Summary

Summary of 2014 Company Performance and Business Highlights

In 2014, Acadia experienced substantial profitable growth. The Company completed significant, accretive acquisitions and substantially improved same-facility performance. Highlights of the year include:

Revenue for 2014 increased 40.8% to \$1.0 billion from \$713.4 million for 2013.

Income from continuing operations was \$83.2 million, or \$1.50 per diluted share, for 2014 compared with \$43.3 million, or \$0.86 per diluted share, for 2013.

Market capitalization increased from approximately \$2.4 billion as of December 31, 2013 to approximately \$3.7 billion as of December 31, 2014.

Revenue growth for 2014 was primarily driven by the addition of approximately 1,800 beds to our operations through acquisition and organic growth. The Company completed five acquisitions during 2014, including the acquisition of the second largest independent behavioral health provider in the United Kingdom, as well as established facilities in the United States such as McCallum Place and Pacific Grove. The 2014 acquisitions brought 27 facilities and over 1,400 beds to Acadia.

We added 378 beds at existing facilities during 2014, ending the year with approximately 5,800 beds in 78 facilities in 24 states, the United Kingdom and Puerto Rico.

In addition to the growth our operations demonstrated in 2014, the Company signed a definitive agreement to acquire CRC in October 2014. The acquisition was completed in February 2015 and brings 35 inpatient facilities to Acadia with approximately 2,400 beds and 81 comprehensive treatment centers. CRC produced revenues for 2014 of approximately \$450 million and management expects

CRC to be meaningfully accretive to our financial results, while diversifying our services and payor mix.

Overview of 2014 Compensation Decisions and Results

Our Compensation Committee approves compensation arrangements with our executive officers. The committee's objective is to have an executive compensation program that will attract and retain the best possible executive talent, to tie annual and long-term cash and equity compensation to the achievement of measurable corporate and individual performance goals and objectives and to align executives' incentives with stockholder value creation. Reflecting the Company's 2014 performance, including the accomplishments summarized above, as well as the individual performance of our Named Executive Officers, 2014 compensation highlights for our Named Executive Officers include the following, as more fully described in this Compensation Discussion and Analysis:

The Compensation Committee increased the base salary of each of our Named Executive Officers effective January 1, 2015 to reflect market-based adjustments to align base compensation with peer companies and to recognize the additional demands on and responsibilities of the Named Executive Officers arising from the Company's rapid growth and expansion, as described below in the section entitled "Components of Executive Compensation - Base Salary."

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The Adjusted EBITDA and Adjusted EPS (as such terms are defined below) measures set forth in our non-equity incentive compensation plan for 2014 were achieved at 102% and 113% of target, respectively, resulting in meaningful payouts to our Named Executive Officers as described below in the section entitled **Components of Executive Compensation – Annual Non-Equity Incentive Compensation**.

Long-term equity-based compensation awards to Named Executive Officers consisting of stock options, time vesting restricted stock and performance vesting restricted stock units were granted to our Named Executive Officers, with performance vesting restricted stock units granted in 2012, 2013 and 2014 vesting at the applicable maximum levels as a result of the Company's 2014 Adjusted EPS performance, as described below in the section entitled **Components of Executive Compensation – Equity-Based Compensation**.

The Compensation Committee made a special one-time award of performance vesting restricted stock units to the Named Executive Officers in February 2015 to recognize the significant benefits to the Company of the Partnerships in Care acquisition in July 2014 and the CRC acquisition in early 2015, with the vesting of the restricted stock units dependent on the 2015 and 2016 revenue of the facilities acquired in such acquisitions, as described below in the section entitled **Components of Executive Compensation – Equity-Based Compensation – 2015 Special Awards**.

To further align the interests of the Named Executive Officers with the Company's stockholders, the Compensation Committee adopted stock ownership guidelines for executive officers in December 2014 and adopted a clawback policy applicable to the awards of performance vesting restricted stock units and time vesting restricted stock granted to certain of the Named Executive Officers in February 2015, as described below in the sections entitled **Compensation Clawback Policy** and **Stock Ownership Guidelines, Insider Trading Policy, Hedging and Pledging**, respectively.

Stockholder Approval of Executive Compensation on an Advisory Basis

At our 2014 Annual Meeting of Stockholders, we held an advisory vote to approve the compensation of our Named Executive Officers as disclosed in our Proxy Statement dated April 11, 2014 related to the annual meeting. Stockholders of the Company expressed overwhelming support for the compensation of our Named Executive Officers, with approximately 98% of the votes cast supporting the Company's executive compensation. The Compensation Committee believes that the vote reflected a very favorable view of the alignment between executive pay and company performance and has continued to apply the same principles and philosophy to compensation decisions since the 2014 annual meeting.

Compensation Process and Philosophy

The Compensation Committee is responsible for discharging our Board of Directors' responsibilities relating to the oversight, administration and approval of our compensation plans, policies and programs for our executive officers and directors. The primary responsibilities and duties of the Compensation Committee are described above in the section entitled **CORPORATE GOVERNANCE – Committees of the Board of Directors – Compensation Committee**.

The components of our compensation program for executive officers include base salary, performance-based cash and equity incentive compensation, and time-based equity awards. Our executive compensation program seeks to:

Link the interests of management with those of our stockholders by encouraging stock ownership;

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Attract and retain superior executives by providing them with the opportunity to earn total compensation packages that are competitive within the healthcare industry;

Recognize and reward individual performance through salary, annual cash incentives and long-term stock-based incentives; and

Manage compensation based on the individual's level of skill, knowledge, effort and responsibility. The Compensation Committee believes that the compensation of our executive officers should provide a competitive level of total compensation necessary to attract and retain talented and experienced executives, and motivate them to contribute to our success. The committee has a pay-for-performance philosophy that works to align the interests of management with the interests of stockholders through the use of incentive compensation and an approach that puts a majority of the compensation of our Named Executive Officers at risk if the Company does not perform.

Our Compensation Committee reviews and approves, in advance, employment and similar arrangements or payments to be made to any executive officer. Our Compensation Committee also relies on the input of our Chief Executive Officer concerning the performance of our executive officers in making its compensation decisions. Our Chief Executive Officer considers internal pay equity issues, individual contribution and performance, competitive pressures and our financial performance in making his recommendations to the Compensation Committee.

Our Compensation Committee believes that our executive compensation program should be internally consistent and equitable in order to achieve our compensation goals. The committee relies on its collective subjective judgment together with the information provided to it by management, the analyses and goals described above and the recommendations of our Chief Executive Officer. The committee also considers the qualifications, length of service, experience, consistency of performance, position, responsibilities, individual performance and available competitive alternatives of our executives, their existing compensation and our financial resources, performance and prospects in determining appropriate levels of compensation for our executives. Our Compensation Committee believes that the difference between the compensation of our Chief Executive Officer and the compensation of our other Named Executive Officers is appropriate given the range of compensation paid to the chief executive officers in our peer group, the greater responsibilities of Mr. Jacobs, the impact Mr. Jacobs has on our financial performance and the role Mr. Jacobs plays as the Chairman of our Board.

Role of Compensation Consultant

In 2014, our Compensation Committee retained an outside compensation consultant, Aon Hewitt, to advise it regarding market trends and practices in executive compensation and with respect to specific compensation decisions. To assist the Compensation Committee in evaluating 2013 compensation and setting compensation for 2014, Aon Hewitt provided to the Compensation Committee a detailed report assessing the competitiveness of the compensation amounts offered by us to our executive officers, including an examination of base salary, target total cash consideration, long-term incentives and target total direct compensation, and a comparison of our financial performance with comparable healthcare companies.

Our Compensation Committee has considered the relationships that Aon Hewitt has had with the Company, the members of the Compensation Committee and our executive officers, and has taken into account the factors required by NASDAQ to be considered when assessing a consultant's independence. After considering such relationships and factors, the Compensation Committee determined that the work of Aon Hewitt in 2014 did not raise any conflicts of interest. Outside of its direct engagement by the Compensation Committee as an independent compensation consultant

to the Compensation Committee with respect to executive compensation matters, Aon Hewitt did not provide other services to the Company in 2014.

Table of Contents***2014 Peer Group***

In order to compare our compensation to other healthcare companies in 2014, our Compensation Committee, in consultation with Aon Hewitt, selected a peer group of 18 publicly-traded healthcare companies with similar revenue and service offerings to us, which consist of the following companies (the 2014 Peer Group):

Air Methods Corp.*	Laboratory Corporation of America Holdings
AMN Healthcare Services, Inc.	LifePoint Hospitals, Inc.*
Amsurg Corp.*	Magellan Health, Inc.*
Brookdale Senior Living Inc.	MEDNAX, Inc.*
Chemed Corporation	Omnicare, Inc.
ExamWorks Group, Inc.*	Providence Service Corporation*
Hanger, Inc.*	Select Medical Holdings Corporation*
HealthSouth Corp.*	Team Health Holdings, Inc.*
Kindred Healthcare, Inc.	VCA Inc.

* Included in the 2013 Peer Group.

The Compensation Committee used the same selection screens for the 2014 Peer Group as the prior year's peer group selected by our Compensation Committee (the 2013 Peer Group), specifically: industry, market capitalization, revenue and revenue growth. Based on changes to certain companies in our 2013 Peer Group and changes in our business, including our continued revenue and market capitalization growth due in part to acquisitions during the prior year, the Compensation Committee felt it was appropriate to make certain changes for the 2014 Peer Group. As a result, the 2014 Peer Group includes seven companies that were not included in the 2013 Peer Group and does not include nine companies that were previously included in the 2013 Peer Group, two of which were acquired within the last year and were therefore no longer appropriate for comparison.

Revenue for the twelve months ended December 31, 2013 for the 2014 Peer Group ranged from approximately \$616 million to \$6.0 billion. For purposes of comparison, our projected revenue at the time the 2014 Peer Group was selected, on a pro forma basis reflecting the CRC acquisition, placed us between the 25th and 50th percentiles of the 2014 Peer Group. Market capitalization for the 2014 Peer Group ranged from approximately \$675 million to \$9.1 billion as of August 29, 2014, when the analysis of peer groups was conducted. Our market capitalization was approximately \$3.1 billion as of August 29, 2014, which placed us in the 50th percentile of the 2014 Peer Group.

Components of Executive Compensation***Base Salary***

Our Compensation Committee generally meets on an annual basis to review each Named Executive Officer's base salary and to consider adjustments to each Named Executive Officer's base salary for the following year. In setting base salaries for 2014 and 2015, the committee reviewed the composition of the peer group and the market studies prepared by Aon Hewitt, discussed the peer group and the market studies with Aon Hewitt and Mr. Jacobs, evaluated

the individual performance and roles and responsibilities of each executive officer and considered our financial performance. After considering these factors, the committee approved the following base salaries for the Named Executive Officers effective as of January 1, 2014 and 2015:

Name	Base Salary	
	As of January 1, 2014	As of January 1, 2015
Joey A. Jacobs	\$ 1,000,000	\$ 1,020,000
Ronald M. Fincher	525,000	600,000
Brent Turner	500,000	550,000
Christopher L. Howard	450,000	500,000
David M. Duckworth	400,000	480,000

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The salary increases reflected above were primarily market-based adjustments to align our Named Executive Officers base salaries with those of the 2014 Peer Group, which was adjusted in 2014 to take into account our continued revenue and market capitalization growth due in part to acquisitions during the prior year. Individual performance and roles and responsibilities of each Named Executive Officer and Company performance since 2013 were also taken into account, particularly with respect to the additional demands on and responsibilities of the Named Executive Officers as a result of recent acquisitions and our expansion to the United Kingdom.

The base salaries under the employment agreements for our Named Executive Officers are subject to an annual increase in the sole discretion of the Compensation Committee on behalf of our Board. See EXECUTIVE COMPENSATION Summary Compensation Table for more information about the base salaries paid to our Named Executive Officers.

Annual Non-Equity Incentive Compensation

Annual non-equity incentive awards paid to our Named Executive Officers are a reward for the realization of established performance objectives. Our Compensation Committee annually adopts a cash bonus plan pursuant to the Acadia Healthcare Company, Inc. Incentive Compensation Plan (the Incentive Plan) for each Named Executive Officer that establishes performance objectives for the Named Executive Officer. The Compensation Committee generally meets in February to review whether and the extent to which performance objectives have been achieved for the prior year. All non-equity incentive awards are subject to the review and approval of the Compensation Committee, which has the discretion to adjust any and all such awards.

2014 Awards

Annual non-equity incentive compensation payable to our Named Executive Officers for 2014 was based 90% on company-wide measures and 10% on individual measures. The company-wide components of the annual non-equity incentive awards for 2014 were Adjusted EBITDA and Adjusted EPS (as defined below). Adjusted EBITDA determined 60% of the total incentive award and Adjusted EPS determined 30% of the total incentive award (for a total of 90% of the total incentive award). No cash incentive payments, whether based on company-wide or individual measures, are payable unless the Company achieves at least 95% of its budgeted Adjusted EBITDA for 2014.

We define Adjusted EBITDA as the sum of the following: (a) net income from continuing operations, (b) interest expense, (c) income tax expense, (d) depreciation and amortization expense, (e) equity-based compensation expense, (f) transaction-related expenses, (g) loss on extinguishment of debt, (h) impairment and other non-cash charges, (i) legal settlement costs, and (j) severance and restructuring costs. Adjusted EPS is defined as earnings per share from continuing operations adjusted for non-recurring, infrequent or unusual items. Adjusted EBITDA and Adjusted EPS are calculated net of non-equity incentive payments. For purposes of determining whether 2014 performance objectives have been met, Adjusted EBITDA is fully adjusted for acquisitions, while Adjusted EPS is adjusted to include 50% of earnings generated by acquisitions. The Compensation Committee believes that Adjusted EBITDA and Adjusted EPS are the appropriate financial measures for determining annual cash incentive awards because they are important measures of our performance and the performance of our management, they drive our success and growth and they are key criteria by which management plans and monitors our business.

The Compensation Committee believes that most of the cash incentive awards should be based on objective measures of company-wide financial performance, but believes that individual elements are also important in

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recognizing achievement and motivating officers. Accordingly, 10% of the cash incentive award is based upon the Compensation Committee's assessment of individual performance as well as the Named Executive Officer's overall contribution to our success.

The table below sets forth the threshold, target and maximum cash incentive award for 2014 (as a percentage of base salary) for each of the Named Executive Officers.

Name	Threshold	Target	Maximum
Joey A. Jacobs	55%	110%	220%
Ronald M. Fincher	42.5%	85%	170%
Brent Turner	42.5%	85%	170%
Christopher L. Howard	42.5%	85%	170%
David M. Duckworth	37.5%	75%	150%

These target and maximum thresholds represent the minimum amounts that each executive is eligible to earn (as a percentage of base salary) pursuant to amended and restated employment agreements entered into with Messrs. Jacobs, Fincher, Turner and Howard, respectively, and an initial employment agreement entered into with Mr. Duckworth, in April 2014.

For purposes of our 2014 non-equity incentive awards, budgeted Adjusted EBITDA was \$211.6 million. The table below sets forth the portion of the cash incentive award (as a percentage of base salary) based upon budgeted Adjusted EBITDA performance levels that each Named Executive Officer was eligible to receive for 2014. For example, if our actual Adjusted EBITDA for 2014 was 100% of our budgeted Adjusted EBITDA, Mr. Jacobs would receive 66% of his base salary with respect to the EBITDA portion (60%) of his target bonus (110% of base salary). Straight-line interpolation is used to determine awards for performance between goal levels.

Name	95% - 100% of Budgeted Adjusted EBITDA	Budgeted Adjusted EBITDA	100% - 105% of Budgeted Adjusted EBITDA	105% of Budgeted Adjusted EBITDA or Greater
Joey A. Jacobs	33% - 66%	66%	66% - 132%	132%
Ronald M. Fincher	25.5% - 51%	51%	51% - 102%	102%
Brent Turner	25.5% - 51%	51%	51% - 102%	102%
Christopher L. Howard	25.5% - 51%	51%	51% - 102%	102%
David M. Duckworth	22.5% - 45%	45%	45% - 90%	90%

The table below sets forth the portion of the cash incentive award (as a percentage of base salary) based upon our achievement of certain Adjusted EPS performance levels that each Named Executive Officer was eligible to receive for 2014. For example, if our Adjusted EPS for 2014 was \$1.36, Mr. Jacobs would receive 33% of his base salary with respect to the Adjusted EPS portion (30%) of his target bonus (110% of base salary). Straight-line interpolation is used to determine awards for performance between goal levels.

Name	Adjusted EPS of \$1.29 - \$1.36	Adjusted EPS of \$1.36 - \$1.43	Adjusted EPS of \$1.43 or Greater
Joey A. Jacobs	16.5% - 33%	33% - 66%	66%

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Ronald M. Fincher	12.75% - 25.5%	25.5% - 51%	51%
Brent Turner	12.75% - 25.5%	25.5% - 51%	51%
Christopher L. Howard	12.75% - 25.5%	25.5% - 51%	51%
David M. Duckworth	11.25% - 22.5%	22.5% - 45%	45%

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In February 2015, the Compensation Committee met to determine whether and the extent to which the performance goals for the 2014 annual non-equity incentive awards had been achieved. The Compensation Committee determined that actual Adjusted EBITDA for 2014 was 102.4% of budgeted Adjusted EBITDA and actual Adjusted EPS for 2014 was \$1.54. As a result of these performance measures and the Compensation Committee's assessment of individual performance, the Named Executive Officers received the following cash incentive payments with respect to 2014:

Name	Cash Incentive Payment
Joey A. Jacobs	\$ 1,855,465
Ronald M. Fincher	752,728
Brent Turner	716,884
Christopher L. Howard	645,196
David M. Duckworth	506,036

2015 Awards

Effective March 27, 2015, the Compensation Committee approved non-equity incentive awards for each of our Named Executive Officers for 2015 with potential cash incentive payments to be based 90% on company-wide measures and 10% on individual measures. The company-wide components of the annual non-equity incentive awards for 2015 are Adjusted EBITDA and Adjusted EPS. For purposes of determining whether 2015 performance objectives have been met, Adjusted EBITDA is fully adjusted for acquisitions, while Adjusted EPS is adjusted to include 50% of earnings generated by acquisitions. No cash incentive payments, whether based on company-wide or individual measures, will be payable unless the Company achieves at least 95% of its budgeted Adjusted EBITDA for 2015.

The table below sets forth the threshold, target and maximum cash incentive award for 2015 (as a percentage of base salary) for each of the Named Executive Officers.

Name	Threshold	Target	Maximum
Joey A. Jacobs	62.5%	125%	250%
Ronald M. Fincher	42.5%	85%	170%
Brent Turner	42.5%	85%	170%
Christopher L. Howard	42.5%	85%	170%
David M. Duckworth	37.5%	75%	150%

These target and maximum thresholds represent the minimum amounts that each executive is eligible to earn (as a percentage of base salary) pursuant to amended and restated employment agreements entered into with Messrs. Jacobs, Fincher, Turner and Howard, respectively, and an initial employment agreement entered into with Mr. Duckworth, in April 2014. The increases in potential cash incentive payments for Mr. Jacobs reflected in the 2015 non-equity incentive awards (compared to the 2014 non-equity incentive awards) were primarily market-based adjustments to align such awards with those of the 2014 Peer Group.

Equity-Based Compensation

Our Compensation Committee believes that stock options, time vesting restricted stock and performance vesting restricted stock units are a key component to the compensation of our executive officers, and providing a mix of different types of equity awards is consistent with market practice for executive officers in our peer group. The committee believes that stock options, restricted stock and restricted stock units provide a substantial incentive to our

Named Executive Officers by allowing them to directly participate in any increase in our long-term value. These incentives are intended to reward, motivate and retain the services of our Named Executive Officers. The committee believes that a mix of equity awards aligns the interests of our Named Executive Officers with those of our stockholders and is consistent with our pay-for-performance philosophy. Equity-based awards are typically granted under the Incentive Plan in February or March of each year.

Table of Contents*2014 Awards*

Effective February 27, 2014, the Board approved grants of the following number of performance vesting restricted stock units (subject to the achievement of certain performance goals and continued employment), time vesting restricted stock and time vesting stock options under the Incentive Plan to our Named Executive Officers:

Name	Restricted Stock Units	Restricted Stock	Stock Options
Joey A. Jacobs	33,498	20,099	35,325
Ronald M. Fincher	9,052	5,431	9,545
Brent Turner	8,621	5,172	9,091
Christopher L. Howard	7,759	4,655	8,182
David M. Duckworth	4,926	2,956	5,195

The value of the 2014 grant of equity-based awards reflected above was not less than 340% of base salary for Mr. Jacobs, not less than 175% of base salary for Messrs. Fincher, Turner and Howard, and not less than 125% of base salary for Mr. Duckworth, each pursuant to the terms of his employment agreement. The allocation among performance vesting restricted stock units, restricted stock and stock options is not based on a formula approach but reflects the committee's view that most equity-based incentives should be performance-based. The Named Executive Officers must be employed by the Company at the time the restricted stock units, restricted stock and/or options vest in order to receive the shares of Common Stock underlying each award.

Restricted Stock Units. The restricted stock units granted in 2014 are earned in three equal annual installments based upon the achievement of specified performance levels of Adjusted EPS for 2014, 2015 and 2016 relative to our budget for the applicable year. The Compensation Committee believes that Adjusted EPS is the appropriate financial measure for determining restricted stock unit awards because it is an important measure of our performance and the performance of our management, it drives our success and growth and it is a key criterion by which management plans and monitors our business.

The number of shares of Common Stock that may be issued upon vesting of the restricted stock units ranges from 0% to 200% of the total number of units set forth above in accordance with a formula based on our Adjusted EPS. None of the performance vesting restricted stock units will vest for performance below 95% of the specified Adjusted EPS.

For 2014, the threshold award (as a percentage of the number of restricted stock units eligible for vesting based on 2014 performance) for each Named Executive Officer was 50%, the target award was 100% and the maximum award was 200%. The actual number of shares of Common Stock to be issued upon vesting of the restricted stock units each year is based on performance relative to the specified Adjusted EPS for the corresponding year, which Adjusted EPS is established at the beginning of each such year.

The table below sets forth the number of shares of Common Stock that each Named Executive Officer was eligible to earn (as a percentage of the number of restricted stock units eligible for vesting based on 2014 performance), subject to continued employment throughout the performance period, based upon the Company's performance relative to Adjusted EPS performance levels. For example, if our Adjusted EPS for 2014 was \$1.27, each Named Executive Officer would earn the number of shares of Common Stock equal to 100% of the number of restricted stock units that may vest based on 2014 performance.

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Adjusted EPS of \$1.21 - \$1.27	Adjusted EPS of \$1.27 - \$1.33	Adjusted EPS of \$1.33 or Greater
50% - 100%	100% - 200%	200%

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On February 10, 2015, the Compensation Committee met to determine whether and the extent to which the performance goals for the 2014 restricted stock unit awards had been achieved. The Compensation Committee determined that actual Adjusted EPS for 2014 was \$1.54. As a result, the following number of shares of Common Stock were earned by the Named Executive Officers for 2014 pursuant to the 2014 restricted stock unit awards:

Name	Shares Issued Upon Vesting of 2014 Restricted Stock Unit Awards ⁽¹⁾
Joey A. Jacobs	22,332
Ronald M. Fincher	6,034
Brent Turner	5,748
Christopher L. Howard	5,172
David M. Duckworth	3,284

(1) Amounts reflect one-third of the 2014 grant multiplied by 200%.

Restricted Stock. The time vesting restricted stock granted in 2014 vests 25% per year on the four successive anniversaries of the date of grant.

Stock Options. The stock options granted in 2014 are exercisable at \$50.75 per share (the closing price on the last trading day before the grant date), have a term of ten years and vest 25% per year on the four successive anniversaries of the date of grant.

Vesting of 2013 Restricted Stock Unit Awards

On March 29, 2013, the Board approved grants of the following number of performance vesting restricted stock units (in addition to time vesting restricted stock and time vesting stock options) under the Incentive Plan to our Named Executive Officers:

Name	Restricted Stock Units
Joey A. Jacobs	18,800
Ronald M. Fincher	7,500
Brent Turner	7,500
Christopher L. Howard	5,400
David M. Duckworth	5,400

The restricted stock units granted in 2013 are earned in three equal annual installments based upon the achievement of specified performance levels of Adjusted EPS for 2013, 2014 and 2015 relative to our budget for the applicable year. The number of shares of Common Stock that may be issued upon vesting of the restricted stock units ranges from 0% to 200% of the total number of units set forth above in accordance with a formula based on our Adjusted EPS. None of the performance vesting restricted stock units will vest for performance below 95% of the specified Adjusted EPS.

For 2014, the threshold award (as a percentage of the number of restricted stock units eligible for vesting based on 2014 performance) for each Named Executive Officer was 50%, the target award was 100% and the maximum award was 200%. The actual number of shares of Common Stock to be issued upon vesting of the restricted stock units each

year is based on a performance range of 95% to 105% of the specified Adjusted EPS for the corresponding year.

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The table below sets forth the number of shares of Common Stock that each Named Executive Officer was eligible to earn (as a percentage of the number of restricted stock units eligible for vesting based on 2014 performance), subject to continued employment throughout the performance period, based upon the Company's performance relative to Adjusted EPS performance levels. For example, if our Adjusted EPS for 2014 was \$1.27, each Named Executive Officer would earn the number of shares of Common Stock equal to 100% of the number of restricted stock units that may vest based on 2014 performance.

Adjusted EPS of \$1.21 - \$1.27	Adjusted EPS of \$1.27 - \$1.33	Adjusted EPS of \$1.33 or Greater
50% - 100%	100% - 200%	200%

On February 10, 2015, the Compensation Committee met to determine whether and the extent to which the 2014 performance goals for the 2013 restricted stock unit awards had been achieved. The Compensation Committee determined that actual Adjusted EPS for 2014 was \$1.54. As a result, the following number of shares of Common Stock were earned by the Named Executive Officers for 2014 pursuant to the 2013 restricted stock unit awards:

Name	Shares Issued Upon Vesting of 2013 Restricted Stock Unit Awards ⁽¹⁾
Joey A. Jacobs	12,534
Ronald M. Fincher	5,000
Brent Turner	5,000
Christopher L. Howard	3,600
David M. Duckworth	3,600

(1) Amounts reflect one-third of the 2013 grant multiplied by 200%.

Vesting of 2012 Restricted Stock Unit Awards

On March 19, 2012, or, in the case of Mr. Duckworth, on August 2, 2012 in connection with Mr. Duckworth's appointment as Chief Financial Officer, the Board approved grants of the following number of performance vesting restricted stock units (in addition to time vesting restricted stock and time vesting stock options) under the Incentive Plan to our Named Executive Officers:

Name	Restricted Stock Units
Joey A. Jacobs	23,271
Ronald M. Fincher	9,643
Brent Turner	9,643
Christopher L. Howard	8,214
David M. Duckworth	9,643

The restricted stock units granted in 2012 are earned in three equal annual installments based upon the achievement of specified performance levels of Adjusted EPS for 2012, 2013 and 2014 relative to a formula established on the grant date of the award. Adjusted EPS for these awards is calculated based on our 2012 budget and assumes 20% growth in

2013 and 2014, respectively. The number of shares of Common Stock that may be issued upon vesting of the restricted stock units ranges from 0% to 200% of the total number of units set forth above in accordance with a formula based on our Adjusted EPS. None of the performance vesting restricted stock units vest for performance below 90% of the specified Adjusted EPS.

For 2014, the threshold award (as a percentage of the number of restricted stock units eligible for vesting based on 2014 performance) for each Named Executive Officer was 50%, the target award was 100% and the maximum award was 200%. The actual number of shares of Common Stock to be issued upon vesting of the restricted stock units each year is based on a performance range of 90% to 110% of the specified Adjusted EPS for the corresponding year.

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The table below sets forth the number of shares of Common Stock that each Named Executive Officer was eligible to earn (as a percentage of the number of restricted stock units eligible for vesting based on 2014 performance), subject to continued employment throughout the performance period, based upon the Company's performance relative to Adjusted EPS performance levels. For example, if our Adjusted EPS for 2014 was \$0.71, each Named Executive Officer would earn the number of shares of Common Stock equal to 100% of the number of restricted stock units that may vest based on 2014 performance.

Adjusted EPS of \$0.64 - \$0.71	Adjusted EPS of \$0.71 - \$0.78	Adjusted EPS of \$0.78 or Greater
50% - 100%	100% - 200%	200%

On February 10, 2015, the Compensation Committee met to determine whether and the extent to which the 2014 performance goals for the 2012 restricted stock unit awards had been achieved. The Compensation Committee determined that actual Adjusted EPS for 2014 was \$1.54. As a result, the following number of shares of Common Stock were earned by the Named Executive Officers for 2014 pursuant to the 2012 restricted stock unit awards:

Name	Shares Issued Upon Vesting of 2012 Restricted Stock Unit Awards ⁽¹⁾
Joey A. Jacobs	15,514
Ronald M. Fincher	6,429
Brent Turner	6,429
Christopher L. Howard	5,476
David M. Duckworth	6,429

(1) Amounts reflect one-third of the 2012 grant multiplied by 200%.

2015 Annual Awards

On February 24, 2015, the Compensation Committee approved grants of the following number of performance vesting restricted stock units (subject to the achievement of certain performance goals and continued employment) and shares of time vesting restricted stock under the Incentive Plan to our Named Executive Officers:

Name	Restricted Stock Units	Restricted Stock
Joey A. Jacobs	62,044	20,681
Ronald M. Fincher	12,774	4,258
Brent Turner	11,709	3,903
Christopher L. Howard	10,645	3,548
David M. Duckworth	7,299	2,433

The value of the 2015 grant of equity-based awards reflected above was not less than 340% of base salary for Mr. Jacobs, not less than 175% of base salary for Messrs. Fincher, Turner and Howard, and not less than 125% of base salary for Mr. Duckworth, each consistent with the 2014 awards made pursuant to the terms of his employment agreement. The allocation between restricted stock units and restricted stock reflects the committee's views that most

equity-based incentives should be performance-based. The Named Executive Officers must be employed by the Company at the time the restricted stock units and/or restricted stock vest in order to receive the shares of Common Stock underlying each award.

Restricted Stock Units. The restricted stock units granted in 2015 are earned in three equal annual installments based upon the achievement of specified performance levels related to our Adjusted EPS for 2015, 2016 and 2017. The number of shares of Common Stock that may be issued upon vesting of the restricted stock units ranges from 0% to 200% of the total number of units set forth above in accordance with a formula based on our Adjusted EPS. None of the performance vesting restricted stock units will vest for performance below 95% of the specified Adjusted EPS.

For each year, the threshold award (as a percentage of the number of restricted stock units eligible for vesting based on performance for the applicable year) for each Named Executive Officer is 50%, the target award is 100% and the maximum award is 200%. The actual number of shares of Common Stock to be issued upon vesting of the restricted stock units each year is based on performance relative to the specified Adjusted EPS for the corresponding year.

Restricted Stock. The time vesting restricted stock granted in 2015 vests 25% per year on the four successive anniversaries of the date of grant.

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On February 26, 2015, the Compensation Committee approved grants of the following number of performance vesting restricted stock units under the Incentive Plan to the following Named Executive Officers (subject to the achievement of certain specific revenue targets related to our acquisitions of Partnerships in Care and CRC, and continued employment):

Name	Restricted Stock Units
Ronald M. Fincher	19,333
Brent Turner	9,747
Christopher L. Howard	6,847
David M. Duckworth	4,253

The number of restricted stock units granted to the Named Executive Officers was determined based on a percentage of base salary deemed appropriate by the committee (200% of base salary for Mr. Fincher, 110% of base salary for Mr. Turner, 85% of base salary for Mr. Howard, and 55% of base salary for Mr. Duckworth). The 2015 special awards are intended to recognize the additional demands on and responsibilities of the Named Executive Officers relating to recent acquisitions and our expansion to the United Kingdom. The Named Executive Officers must be employed by the Company at the time the restricted stock units vest in order to receive the shares of Common Stock underlying each award.

The special award of restricted stock units granted in 2015 are earned in two equal annual installments based upon the achievement of specified revenue levels for 2015 and 2016 related to the Partnerships in Care and CRC acquisitions. The number of shares of Common Stock that may be issued upon vesting of the restricted stock units is equal to 100% of the total number of units set forth above. None of the performance vesting restricted stock units will vest for performance below the specified revenue level for the applicable year.

Perquisites and other Benefits

We provide our Named Executive Officers with modest perquisites (less than \$10,000 on an annual basis) that our Compensation Committee believes are reasonable and consistent with our overall executive compensation program. Our Compensation Committee believes that such perquisites help us to retain our executive personnel and allows them to operate more effectively.

Our Named Executive Officers are eligible for health and welfare benefits available to eligible Company employees during active employment under the same terms and conditions. These benefits include medical, dental, vision, short-term and long-term disability and group-term life insurance coverage. The Named Executive Officers also participate in a separate insurance plan that provides long term care benefits to the executives and their spouses. Our general policies applicable to all employees govern paid vacation and other time off for our Named Executive Officers.

Compensation Clawback Policy

If the Company is required to restate its financial statements as a result of misconduct, Section 304 of the Sarbanes-Oxley Act requires the Chief Executive Officer and the Chief Financial Officer to reimburse the Company for: (i) any bonus or other incentive-based or equity-based compensation received during the 12 months following the public issuance of the financial statements; and (ii) any profits realized from the sale of Company securities during

those 12 months. On February 26, 2015, the Compensation Committee adopted and approved a compensation clawback policy applicable to the awards of performance vesting restricted stock units and time vesting restricted stock granted to certain of the Named Executive Officers in February 2015. Under the clawback policy, if a Named Executive Officer is determined by the Board to have engaged in fraud or misconduct contributing to restatement of the Company's financial statements, the Board shall take appropriate action to address such events, including requiring (i) reimbursement of any equity securities that vested during the preceding three year period, including any proceeds from the sale of such securities, and (ii) cancellation of all unvested equity securities during such three-year period.

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Section 954 of the Dodd-Frank Act directs the SEC to promulgate additional rules requiring companies listed on stock exchanges to adopt policies regarding the recovery of executive compensation from executive officers for accounting restatements resulting from material noncompliance with any financial reporting requirement under the securities laws. Upon the SEC's adoption and publication of these new rules, the Compensation Committee will review and, if necessary, revise the Company's clawback policy to conform with such rules.

Deferred Compensation Plan

On February 28, 2013, our Board adopted and approved the Acadia Healthcare Company, Inc. Deferred Compensation Plan, effective February 1, 2013 (the "Deferred Compensation Plan"). The Deferred Compensation Plan is designed to provide tax-deferred compensation for our eligible employees, including executive officers.

Under the Deferred Compensation Plan, participants may defer up to 50% of their annual base compensation and up to 100% of any performance-based compensation. Participants are fully vested in their deferral accounts as to amounts they elect to defer. No employer matching contributions are made to the Deferred Compensation Plan. Participants will be able to select from several fund choices and their deferred compensation account will increase or decrease in value in accordance with the performance of the funds selected. Participants may receive a distribution from the Deferred Compensation Plan upon a qualifying distribution event such as separation from service, disability, death, change in control or an unforeseeable emergency. Following a participant's separation from the Company for any reason, the participant's vested interest in the account is paid to the participant (or the participant's beneficiary in the event of the participant's death) either in a lump sum or up to ten annual installments, as elected by the participant. The Deferred Compensation Plan is intended to be an unfunded plan administered and maintained by the Company primarily for the purpose of providing deferred compensation benefits to participants.

Internal Revenue Code Section 162(m)

Section 162(m) of the Internal Revenue Code generally limits the deductibility of executive compensation paid by publicly-held corporations to \$1 million per year for the Chief Executive Officer and the next three most highly compensated executive officers, excluding the Chief Financial Officer. The \$1 million limitation does not apply to compensation that qualifies as performance-based. We consider the tax and accounting impact of all compensation. The Compensation Committee believes that tax deductions are only one of several relevant considerations in setting compensation. Furthermore, it also believes that tax deduction limitations should not compromise our ability to design and maintain executive compensation arrangements that will attract and retain the executive talent we need to compete successfully. Therefore, in certain cases, our executive compensation may not be deductible for federal income tax purposes.

Stock Ownership Guidelines, Insider Trading Policy, Hedging and Pledging

In March 2012, the Board of Directors adopted stock ownership guidelines for non-management directors. The guidelines require that each non-management director hold an investment position in our Common Stock equal in value to five times the annual cash retainer (exclusive of any Board committee retainers) paid to non-management directors. The guidelines provide for a five-year transition period during which directors can attain the required ownership.

In December 2014, the Board of Directors adopted stock ownership guidelines for executive officers. The guidelines require that the Chief Executive Officer hold an investment position in our Common Stock equal in value to five times annual base salary. All other executive officers must hold an investment position in our Common Stock equal in value to three times annual base salary. The guidelines provide for a five-year transition period during which executive

officers can attain the required ownership. If an executive officer becomes subject to a greater ownership threshold due to an increase in the amount of his or her annual base salary, the executive officer must satisfy the greater ownership threshold within the later of the original five-year transition period or two years from the effective date of the increase in annual base salary.

We maintain an insider trading policy that governs transactions in our securities by directors, officers and other employees. Among other provisions, the policy prohibits short-selling of any equity security of the Company and any hedging transactions. Directors and officers are also prohibited from holding our securities in a margin account or otherwise pledging our securities as collateral for a loan.

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Termination and Change-in-Control Arrangements

Under the terms of our compensation plans and employment agreements with the Named Executive Officers, the Named Executive Officers are entitled to payments and benefits upon the occurrence of specified events including termination of employment and upon a termination in connection with a change-in-control of the Company. The specific terms of these arrangements are discussed under the heading EXECUTIVE COMPENSATION Potential Payments Upon Termination or Change in Control under the Employment Agreements. The compensation committee believes that these arrangements are appropriate under the Company's current circumstances.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis required by SEC Regulation S-K, Item 402(b) with management. Based on such review and discussions, the Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

COMPENSATION COMMITTEE:

Wade D. Miquelon, Chairman
William M. Petrie, M.D.

Table of Contents**EXECUTIVE COMPENSATION****Summary Compensation Table**

The following summary compensation table reflects the compensation paid or accrued by us with respect to each of the Named Executive Officers:

Name and Principal Position	Year	Salary	Stock Awards ⁽¹⁾	Option Awards ⁽²⁾	Non-Equity		Total
					Incentive Plan Compensation ⁽³⁾	All Other Compensation ⁽⁴⁾	
Joey A. Jacobs <i>Chief Executive Officer</i>	2014	\$ 1,000,000	\$ 2,720,048	\$ 643,975	\$ 1,855,465	\$ 5,012	\$ 6,224,500
	2013	660,000	1,105,064	737,262	1,320,000	5,012	3,827,338
	2012	567,769	742,810	497,395	1,136,667		2,944,641
Ronald M. Fincher <i>Chief Operating Officer</i>	2014	525,000	735,012	174,005	752,728	9,772	2,196,517
	2013	450,000	440,850	295,569	600,000	8,301	1,794,720
	2012	391,308	307,805	206,110	522,222		1,427,445
Brent Turner <i>President</i>	2014	500,000	699,995	165,729	716,884	10,194	2,092,802
	2013	435,000	440,850	295,569	580,000	8,485	1,759,904
	2012	388,885	307,805	206,110	518,889		1,421,689
Christopher L. Howard <i>Executive Vice President, General Counsel and Secretary</i>	2014	450,000	630,011	149,158	645,196	10,276	1,884,641
	2013	420,000	317,412	210,330	560,000	8,554	1,516,296
	2012	386,462	262,191	175,576	515,556		1,339,785
David M. Duckworth <i>Chief Financial Officer</i>	2014	400,000	400,012	94,705	506,036	10,289	1,411,042
	2013	327,000	317,412	210,330	436,000	10,289	1,301,031
	2012	209,554	372,018	232,731	195,500		1,009,802

(1) Reflects the aggregate grant date fair value of restricted stock and restricted stock units granted to each Named Executive Officer pursuant to the Incentive Plan, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Stock Compensation, or ASC 718. With respect to restricted stock units, the units vest over three years and the amounts assume that target performance goals are attained in all three years.

Assuming that the maximum performance goals are attained in all three years, the aggregate grant date fair value of the restricted stock unit awards would have been:

Name	2014 RSU Awards	2013 RSU Awards	2012 RSU Awards
Joey A. Jacobs	\$ 3,400,047	\$ 1,105,064	\$ 742,810
Ronald M. Fincher	918,778	440,850	307,805
Brent Turner	875,032	440,850	307,805
Christopher L. Howard	787,539	317,412	262,191
David M. Duckworth	499,989	317,412	320,148

Therefore, assuming the maximum performance goals are attained in all three years, the aggregate grant date fair value of the total stock awards (including awards of both restricted stock and restricted stock units) would have been:

Name	2014 Stock Awards	2013 Stock Awards	2012 Stock Awards
Joey A. Jacobs	\$ 4,420,071	\$ 1,657,596	\$ 1,114,215
Ronald M. Fincher	1,194,401	661,275	461,707
Brent Turner	1,137,511	661,275	461,707
Christopher L. Howard	1,023,780	476,118	393,286
David M. Duckworth	650,006	476,118	532,092

See the section above entitled **COMPENSATION DISCUSSION AND ANALYSIS** **Components of Executive Compensation** **Equity-Based Compensation** for more information about the restricted stock and restricted stock units.

- (2) Reflects the grant date fair value of stock options granted to each Named Executive Officer pursuant to the Incentive Plan, computed in accordance with ASC 718. See Note 9 to our consolidated financial statements in our Annual Report on Form 10-K for the year ended December 31, 2014 regarding assumptions underlying valuation of the stock options. See the section above entitled **COMPENSATION DISCUSSION AND ANALYSIS** **Components of Executive Compensation** **Equity-Based Compensation** for more information about the stock options.
- (3) Reflects cash awards earned during the years indicated under the Incentive Plan.
- (4) Represents certain long term care insurance benefits in 2013 and 2014.

Table of Contents**Grants of Plan-Based Awards**

The following table sets forth certain information regarding plan-based awards granted to the Named Executive Officers during 2014:

Name	Grant Date	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾	Estimated Future Payouts Under Equity Incentive Plan Awards ⁽²⁾	All Other Stock Awards:	All Other Option Awards:	Exercise Price of	Grant Date	Fair Value of	
									Threshold
Dorey A. Jacobs	N/A	\$ 550,000	\$ 1,100,000	\$ 2,200,000					
	2/27/14						35,325	\$ 50.75	\$ 643,975 ⁽⁶⁾
	2/27/14				20,099				1,020,024
Donald M. Fincher	N/A	223,125	446,250	892,500					
	2/27/14						9,545	50.75	174,005 ⁽⁶⁾
	2/27/14				4,526	9,052	18,104		275,623
Drew J. Turner	N/A	212,500	425,000	850,000					
	2/27/14						9,091	50.75	165,729 ⁽⁶⁾
	2/27/14				4,311	8,621	17,242		262,479
Christopher L. Howard	N/A	191,250	382,500	765,000					
	2/27/14						8,182	50.75	149,158 ⁽⁶⁾
	2/27/14				3,880	7,759	15,518		236,241
David M. Duckworth	N/A	150,000	300,000	600,000					
	2/27/14						5,195	50.75	94,705 ⁽⁶⁾
	2/27/14				2,463	4,926	9,852		150,017
	2/27/14								249,995 ⁽⁷⁾

(1) The estimated payouts shown reflect non-equity incentive awards granted under the Incentive Plan, where receipt is contingent upon the achievement of specified performance goals. See the section above entitled

- COMPENSATION DISCUSSION AND ANALYSIS Components of Executive Compensation Annual Non-Equity Incentive Compensation for more information about the awards.
- (2) Reflects the number of shares of Common Stock issuable upon vesting of restricted stock units granted under the Incentive Plan. The restricted stock units vest in three annual installments based upon the achievement of certain performance goals and continued employment. See the section above entitled COMPENSATION DISCUSSION AND ANALYSIS Components of Executive Compensation Equity-Based Compensation for more information about the restricted stock units.
 - (3) Reflects shares of restricted stock granted under the Incentive Plan, which will vest in four equal annual installments commencing one year after the date of grant.
 - (4) Reflects shares of Common Stock underlying stock options granted under the Incentive Plan. The options will vest in four equal annual installments commencing one year after the date of grant.
 - (5) Reflects the aggregate grant date fair value computed in accordance with ASC 718.
 - (6) A discussion of the assumptions used in calculating the aggregate grant date fair value of the stock options is set forth in Note 9 to the financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2014.
 - (7) With respect to restricted stock units granted under the Incentive Plan, the amounts shown assume that target performance goals are attained during each of the three years in the performance period and continued employment throughout the performance period. For additional information, see the section above entitled COMPENSATION DISCUSSION AND ANALYSIS Components of Executive Compensation Equity-Based Compensation.

Table of Contents**Outstanding Equity Awards at Fiscal Year-End**

The following table provides certain information with respect to the Named Executive Officers regarding outstanding equity awards as of December 31, 2014 that represent potential amounts that may be realized in the future:

Name	Option Awards			Stock Awards			Equity
	Number of Securities Underlying Unexercised Options ⁽¹⁾	Exercise Price	Option Expiration Date	Stock That Have Not Vested	Stock Held or Other Rights that Have Not Vested ⁽²⁾	Other Rights That Have Not Vested	Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other
Joey A. Jacobs	36,628 ⁽³⁾	\$ 15.96	3/19/22		\$		\$
	49,950 ⁽⁴⁾	29.39	3/29/23				
	35,325 ⁽⁵⁾	50.75	2/27/24				
				11,637 ⁽⁶⁾	712,301	15,514 ⁽⁹⁾	949,612
			14,100 ⁽⁷⁾	863,061	25,068 ⁽¹⁰⁾	1,534,412	
			20,099 ⁽⁸⁾	1,230,260	66,996 ⁽¹¹⁾	4,100,825	
Ronald M. Fincher	15,179 ⁽³⁾	15.96	3/19/22				
	20,025 ⁽⁴⁾	29.39	3/29/23				
	9,545 ⁽⁵⁾	50.75	2/27/24				
				4,823 ⁽⁶⁾	295,216	6,430 ⁽⁹⁾	393,580
			5,625 ⁽⁷⁾	344,306	10,000 ⁽¹⁰⁾	612,100	
			5,431 ⁽⁸⁾	332,432	18,104 ⁽¹¹⁾	1,108,146	

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Brent Turner	15,179 ⁽³⁾	15.96	3/19/22					
	20,025 ⁽⁴⁾	29.39	3/29/23					
	9,091 ⁽⁵⁾	50.75	2/27/24					
				4,823 ⁽⁶⁾	295,216		6,430 ⁽⁹⁾	393,580
			5,625 ⁽⁷⁾	344,306		10,000 ⁽¹⁰⁾	612,100	
			5,172 ⁽⁸⁾	316,578		17,242 ⁽¹¹⁾	1,055,383	
Christopher L. Howard								
	12,930 ⁽³⁾	15.96	3/19/22					
	14,250 ⁽⁴⁾	29.39	3/29/23					
	8,182 ⁽⁵⁾	50.75	2/27/24					
				4,108 ⁽⁶⁾	251,451		5,476 ⁽⁹⁾	335,186
				4,050 ⁽⁷⁾	247,901		7,200 ⁽¹⁰⁾	440,712
				4,655 ⁽⁸⁾	284,933		15,518 ⁽¹¹⁾	949,857
David M. Duckworth								
	875	875 ⁽¹²⁾	9.40	11/16/21				
					875 ⁽¹³⁾	53,559		
	812	1,626 ⁽³⁾	15.96	3/19/22				
					1,626 ⁽⁶⁾	99,527		
	7,588	15,179 ⁽¹⁴⁾	16.60	8/2/22				
	4,750	14,250 ⁽⁴⁾	29.39	3/29/23				
		5,195 ⁽⁵⁾	50.75	2/27/24				
					4,823 ⁽¹⁵⁾	295,216		
							6,430 ⁽⁹⁾	393,580
					4,050 ⁽⁷⁾	247,901		
							7,200 ⁽¹⁰⁾	\$ 440,712
					2,956 ⁽⁸⁾	180,937		
							9,852 ⁽¹¹⁾	499,989

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- (1) The amounts shown reflect stock options granted under the Incentive Plan.
- (2) Based on the closing sales price of our Common Stock of \$61.21 on The NASDAQ Global Market on December 31, 2014.
- (3) One-half of these stock options will become exercisable on each of March 19, 2015 and March 19, 2016.
- (4) One-third of these stock options will become exercisable on each of March 29, 2015, March 29, 2016 and March 29, 2017.
- (5) One-fourth of these stock options will become exercisable on each of February 27, 2015, February 27, 2016, February 27, 2017 and February 27, 2018.
- (6) One-half of these shares of restricted stock vest on each of March 19, 2015 and March 19, 2016.
- (7) One-third of these shares of restricted stock vest on each of March 29, 2015, March 29, 2016 and March 29, 2017.
- (8) One-fourth of these shares of restricted stock vest on each of February 27, 2015, February 27, 2016, February 27, 2017 and February 27, 2018.
- (9) Reflects the aggregate maximum number of restricted shares that will vest upon the achievement of certain performance goals established for the restricted stock units granted in 2012 under the Incentive Plan and continued employment. See the section above entitled **COMPENSATION DISCUSSION AND ANALYSIS Components of Executive Compensation Equity-Based Compensation** for more information about the restricted stock units.
- (10) Reflects the aggregate maximum number of restricted shares that will vest upon the achievement of certain performance goals established for the restricted stock units granted in 2013 under the Incentive Plan and continued employment. See the section above entitled **COMPENSATION DISCUSSION AND ANALYSIS Components of Executive Compensation Equity-Based Compensation** for more information about the restricted stock units.
- (11) Reflects the aggregate maximum number of restricted shares that will vest upon the achievement of certain performance goals established for the restricted stock units granted in 2014 under the Incentive Plan and continued employment. See the section above entitled **COMPENSATION DISCUSSION AND ANALYSIS Components of Executive Compensation Equity-Based Compensation** for more information about the restricted stock units.
- (12) These stock options will become exercisable on November 16, 2015.
- (13) These shares of restricted stock vest on November 16, 2015.
- (14) One-half of these stock options will become exercisable on each of August 2, 2015 and August 2, 2016.
- (15) One-half of these shares of restricted stock vest on each of August 2, 2015 and August 2, 2016.

Table of Contents**Option Exercises and Stock Vested**

The following table shows the amounts received by the Named Executive Officers upon the exercise of stock options or the vesting of restricted stock and restricted stock units during 2014:

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise	Value Realized on Exercise	Number of Shares Acquired on Vesting	Value Realized on Vesting
Joey A. Jacobs	18,313	\$ 531,443 ⁽⁴⁾	28,048	\$ 1,424,558 ⁽¹⁾
	16,650	259,574 ⁽⁵⁾	5,817	276,249 ⁽²⁾
Ronald M. Fincher	7,588	242,968 ⁽⁶⁾	11,429	580,479 ⁽¹⁾
	6,675	124,088 ⁽⁷⁾	2,410	114,451 ⁽²⁾
Brent Turner	7,588	220,204 ⁽⁴⁾	11,429	580,479 ⁽¹⁾
	6,675	104,063 ⁽⁵⁾	2,410	114,451 ⁽²⁾
Christopher L. Howard	6,464	187,585 ⁽⁶⁾	9,076	460,970 ⁽¹⁾
	4,750	96,853 ⁽⁸⁾	2,053	97,497 ⁽²⁾
David M. Duckworth	1,750	71,155 ⁽⁹⁾	10,029	509,373 ⁽¹⁾
	812	27,689 ⁽¹⁰⁾	812	38,562 ⁽²⁾
	7,588	253,894 ⁽¹¹⁾	1,350	60,116 ⁽³⁾
			2,410	113,656 ⁽¹²⁾
			875	53,655 ⁽¹³⁾

- (1) Based on the closing sales price of our Common Stock of \$50.79 on The NASDAQ Global Market on February 27, 2014, the date that the restricted stock units vested. See the section above entitled **COMPENSATION DISCUSSION AND ANALYSIS** Components of Executive Compensation Equity-Based Compensation for more information about the restricted stock units.
- (2) Based on the closing sales price of our Common Stock of \$47.49 on The NASDAQ Global Market on March 19, 2014, the date that the shares of restricted stock vested.
- (3) Based on the closing sales price of our Common Stock of \$44.53 on The NASDAQ Global Market on March 28, 2014, the first business day immediately prior to the date that the shares of restricted stock vested.
- (4) Based on the closing sales price of our Common Stock of \$44.98 on The NASDAQ Global Market on May 2, 2014, the date that the options were exercised, less the option exercise price of \$15.96.
- (5) Based on the closing sales price of our Common Stock of \$44.98 on The NASDAQ Global Market on May 2, 2014, the date that the options were exercised, less the option exercise price of \$29.39.
- (6) Based on the closing sales price of our Common Stock of \$47.98 on The NASDAQ Global Market on June 3, 2014, the date that the options were exercised, less the option exercise price of \$15.96.
- (7) Based on the closing sales price of our Common Stock of \$47.98 on The NASDAQ Global Market on June 3, 2014, the date that the options were exercised, less the option exercise price of \$29.39.
- (8) Based on the closing sales price of our Common Stock of \$49.78 on The NASDAQ Global Market on July 29, 2014, the date that the options were exercised, less the option exercise price of \$29.39.
- (9)

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Based on the closing sales price of our Common Stock of \$50.06 on The NASDAQ Global Market on February 21, 2014, the date that the options were exercised, less the option exercise price of \$9.40.

(10) Based on the closing sales price of our Common Stock of \$50.06 on The NASDAQ Global Market on February 21, 2014, the date that the options were exercised, less the option exercise price of \$15.96.

(11) Based on the closing sales price of our Common Stock of \$50.06 on The NASDAQ Global Market on February 21, 2014, the date that the options were exercised, less the option exercise price of \$16.60.

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(12) Based on the closing sales price of our Common Stock of \$47.16 on The NASDAQ Global Market on August 1, 2014, the first business day immediately prior to the date that the shares of restricted stock vested.

(13) Based on the closing sales price of our Common Stock of \$61.32 on The NASDAQ Global Market on November 14, 2014, the first business day immediately prior to the date that the shares of restricted stock vested.

Nonqualified Deferred Compensation

The following table shows the activity during 2014 and the aggregate balances held by each of our Named Executive Officers at December 31, 2014 under the Deferred Compensation Plan.

Name	Executive Contributions in 2014(\$) ⁽¹⁾	Company Contributions in 2014(\$)	Aggregate Earnings in 2014(\$)	Aggregate Withdrawals / Distributions(\$)	Aggregate Balance at December 31, 2014(\$) ⁽²⁾
Joey A. Jacobs	\$ 6,881	\$	\$ 1,314	\$	\$ 8,195
Ronald M. Fincher	57,707		8,802		66,509
Brent Turner	201,466		14,964		216,430
Christopher L. Howard	275,513		15,248		290,761
David M. Duckworth	175,532		15,335		190,867

(1) These amounts are included in the Summary Compensation Table on page 34.

(2) All amounts other than 2014 earnings are included in the Summary Compensation Table on page 34.

Under the plan, participants may defer up to 50% of their annual base compensation and up to 100% of any performance-based compensation. Participants are fully vested in their deferral accounts as to amounts they elect to defer. No employer matching contributions are made to the Deferred Compensation Plan. Participants will be able to select from several fund choices and their deferred compensation account will increase or decrease in value in accordance with the performance of the funds selected. Participants may receive a distribution from the Deferred Compensation Plan upon a qualifying distribution event such as separation from service, disability, death, change in control or an unforeseeable emergency. Following a participant's separation from the Company for any reason, the participant's vested interest in the account is paid to the participant (or the participant's beneficiary in the event of the participant's death) either in a lump sum or up to ten annual installments, as elected by the participant. The Deferred Compensation Plan is intended to be an unfunded plan administered and maintained by the Company primarily for the purpose of providing deferred compensation benefits to participants.

Potential Payments Upon Termination or Change in Control under the Employment Agreements

In April 2014, we entered into amended and restated employment agreements with each of Messrs. Jacobs, Fincher, Turner and Howard, and an initial employment agreement with Mr. Duckworth (collectively, the Employment Agreements). A summary of the Employment Agreements is provided below.

Compensation and Benefits

The base salaries under the Employment Agreements are subject to an annual increase in the sole discretion of our Board. In addition to base salary, under the Employment Agreements the executives are entitled to participate, in their sole discretion, in all of our employee benefit programs for which senior executive employees are generally eligible. Each executive is also reimbursed for reasonable expenses incurred in connection with services performed under each

executive s Employment Agreement.

Non-Competition and Non-Solicitation

During the term of each Employment Agreement and for 12 months thereafter (in the case of Mr. Duckworth), 24 months thereafter (in the case of Messrs. Fincher, Turner and Howard) or 36 months thereafter (in the case of Mr. Jacobs), each such executive is prohibited from (i) directly or indirectly managing, controlling,

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consulting, rendering services for or participating, engaging or owning an interest in any business which derives 25% of its gross revenue from the business of providing behavioral healthcare and/or related services and (ii) directly or indirectly managing, controlling, rendering services for or participating or consulting with any unit, division, segment or subsidiary of any other business that engages in or otherwise competes with (or was organized for the purpose of engaging in or competing with) the business of providing behavioral healthcare and/or related services (subject to certain exceptions), in each case within any geographical area in which we engage in such businesses. During the term of each Employment Agreement and for 12 months thereafter (in the case of Mr. Duckworth), 24 months thereafter (in the case of Messrs. Fincher, Turner and Howard) or 36 months thereafter (in the case of Mr. Jacobs), each such executive is prohibited from directly or indirectly soliciting or hiring any employee or independent contractor of ours or directly or indirectly soliciting any customer, supplier, licensee, licensor or other business relation of ours. In addition, the executives are subject to customary confidentiality and non-disparagement obligations both during and following their employment with the Company.

Severance

Under each Employment Agreement, if the executive is terminated without Cause or resigns with Good Reason, such executive is generally entitled to receive (subject to the satisfaction of certain conditions):

Such executive's base salary through the termination date;

A prorated bonus amount for the calendar year in which the termination occurs;

An amount equal to a multiple of the target annual cash bonus amount to which such executive would be entitled with respect to the calendar year in which the termination date occurs, determined as if all of the performance objectives for such year have been achieved at the target level;

An amount equal to a multiple of such executive's base salary as in effect on the termination date;

Any unused and unpaid time off and sick pay accrued through the termination date and any incurred but unreimbursed business expenses as of the termination date;

An amount equal to the cost of the premiums for continued health and dental insurance for the executive and/or his dependents in accordance with COBRA for a specified period; and

Full and immediate vesting of such executive's stock options, restricted stock and other equity-based awards (collectively, the Termination Payments).

Cause (as defined in the Employment Agreements) means the occurrence of one or more of the following with respect to the applicable executive:

The conviction of or plea of nolo contendere to a felony or other crime involving moral turpitude or the conviction of any crime involving misappropriation, embezzlement or fraud with respect to the Company or any of its subsidiaries or any of their customers, suppliers or other business relations;

Conduct outside the scope of such executive's duties and responsibilities under his Employment Agreement that causes the Company or any of its subsidiaries substantial public disgrace or disrepute or economic harm;

Repeated failure to perform duties consistent with such Employment Agreement as reasonably directed by our Board;

Any act or knowing omission aiding or abetting a competitor, supplier or customer of ours to our disadvantage or detriment;

Breach of fiduciary duty, gross negligence or willful misconduct with respect to us;

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An administrative or other proceeding resulting in the suspension or debarment of such executive from participation in any contracts with, or programs of, the United States or any individual state or any agency or department thereof; or

Any other material breach by such executive of his Employment Agreement or any other agreement between such executive and us, which is not cured to the reasonable satisfaction of our Board within 30 days after written notice thereof to such executive.

Good Reason (as defined in the Employment Agreements) means if the applicable executive resigns his employment with the Company as a result of one or more of the following actions (in each case taken without the executive's written consent): (i) a reduction in such executive's base salary (other than as part of an across-the-board reduction that (A) results in a 10% or less reduction of such executive's base salary as in effect on the date of any such reduction or (B) is approved by our Chief Executive Officer); (ii) a material diminution of such executive's job duties or responsibilities inconsistent with the executive's position; (iii) any other material breach by us of such Employment Agreement; or (iv) a relocation of our principal executive offices and corporate headquarters outside of a 30-mile radius of Nashville, Tennessee following relocation thereto in accordance with such Employment Agreement; provided that, none of the events described in clauses (i) through (iv) shall constitute Good Reason unless such executive shall have notified us in writing describing the event which constitutes Good Reason within 90 days after the occurrence of such event and then only if we shall have failed to cure such event within 30 days after our receipt of such written notice and such executive elects to terminate his employment as a result at the end of such 30 day period.

If an executive that is party to an Employment Agreement dies or becomes disabled, such executive is entitled to the applicable Termination Payments (other than the amount equal to a multiple of the target annual cash bonus amount and the amount equal to a multiple of such executive's base salary as in effect on the termination date). In the event that an executive becomes disabled not due to death, such executive is entitled to receive continued installment payments of such executive's base salary as in effect on the termination date for a specified period of time.

If we terminate an executive under an Employment Agreement for Cause or if any such executive resigns without Good Reason, such executive is only entitled to receive his unpaid base salary through the termination date and any bonus amount to which such executive is entitled by reference to the calendar year that ended on or prior to the termination date. Upon any termination of employment under an Employment Agreement, whether voluntary or otherwise, such executive has the option to elect to continue health insurance coverage until the earlier of (A) such time as the executive is eligible to participate in another health plan or (B) the executive becomes eligible for Medicare.

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The tables below show the amounts that each Named Executive Officer would have received assuming that the Named Executive Officer's employment was terminated or he died or became disabled effective December 31, 2014. As of December 31, 2014 and except as noted below, none of the Named Executive Officers were entitled to any compensation or benefits for resignation or retirement. Furthermore, the Employment Agreements do not distinguish a termination following a change in control from a termination in another context. Therefore, a termination following a change in control will entitle a Named Executive Officer to severance benefits only if the if the Named Executive Officer's employment is otherwise terminated without Cause by the Company or by the Named Executive Officer for Good Reason.

Mr. Jacobs

Executive Benefits and Payments upon Termination	Involuntary Termination without Cause ⁽¹⁾	Death or Disability
Base Salary	\$ 3,000,000 ⁽²⁾	\$ 500,000 ⁽³⁾
Non-Equity Incentive Plan Compensation ⁽⁴⁾	3,300,000	3,300,000
Options (unexercisable) ⁽⁵⁾		
Restricted Stock (unvested) ⁽⁶⁾		
Insurance Benefits	39,717 ⁽⁷⁾	6,620 ⁽⁸⁾
Accrued Vacation ⁽⁹⁾	76,923	76,923

Mr. Fincher

Executive Benefits and Payments upon Termination	Involuntary Termination without Cause ⁽¹⁾	Death or Disability
Base Salary	\$ 1,050,000 ⁽²⁾	\$ 262,500 ⁽³⁾
Non-Equity Incentive Plan Compensation ⁽⁴⁾	892,500	892,500
Options (unexercisable) ⁽⁵⁾		
Restricted Stock (unvested) ⁽⁶⁾		
Insurance Benefits	38,771 ⁽⁷⁾	9,693 ⁽⁸⁾
Accrued Vacation ⁽⁹⁾	40,384	40,384

Mr. Turner

Executive Benefits and Payments upon Termination	Involuntary Termination without Cause ⁽¹⁾	Death or Disability
Base Salary	\$ 1,000,000 ⁽²⁾	\$ 250,000 ⁽³⁾
Non-Equity Incentive Plan Compensation ⁽⁴⁾	850,000	850,000
Options (unexercisable) ⁽⁵⁾		
Restricted Stock (unvested) ⁽⁶⁾		
Insurance Benefits	36,347 ⁽⁷⁾	9,087 ⁽⁸⁾
Accrued Vacation ⁽⁹⁾	38,461	38,461

Mr. Howard

Executive Benefits and Payments upon Termination	Involuntary Termination without Cause ⁽¹⁾	Death or Disability
Base Salary	\$ 900,000 ⁽²⁾	\$ 225,000 ⁽³⁾
Non-Equity Incentive Plan Compensation ⁽⁴⁾	765,000	765,000
Options (unexercisable) ⁽⁵⁾		
Restricted Stock (unvested) ⁽⁶⁾		
Insurance Benefits	36,347 ⁽⁷⁾	9,087 ⁽⁸⁾
Accrued Vacation ⁽⁹⁾	20,663	20,663

Mr. Duckworth

Executive Benefits and Payments upon Termination	Involuntary Termination without Cause	Death or Disability
Base Salary	\$ 800,000 ⁽²⁾	\$ 200,000 ⁽³⁾
Non-Equity Incentive Plan Compensation ⁽⁴⁾	300,000	300,000
Options (unexercisable) ⁽⁵⁾		
Restricted Stock (unvested) ⁽⁶⁾		
Insurance Benefits	14,738 ⁽⁷⁾	7,369 ⁽⁸⁾
Accrued Vacation ⁽⁹⁾	30,770	30,770

- (1) The amounts shown would have been payable if we terminated the Named Executive Officer's employment without Cause (as defined in his Employment Agreement) or if the Named Executive Officer resigned his employment for Good Reason (as defined in his Employment Agreement), provided that the Named Executive Officer had not breached the non-competition, non-solicitation, confidentiality and proprietary information provisions of his Employment Agreement.

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- (2) The amount shown reflects the product of two times the Named Executive Officer's base salary (except for Mr. Jacobs, which amount reflects the product of three times his base salary) as in effect on December 31, 2014 pursuant to the terms of his Employment Agreement (assuming that he is not in violation of the restrictive covenants set forth in his Employment Agreement or his General Release, if applicable). Pursuant to the Employment Agreements, base salary amounts are payable in regular installments over the course of the applicable severance period.
- (3) The amount shown reflects the Named Executive Officer's base salary as in effect on December 31, 2014 payable for a period of six months in the event of disability pursuant to the terms of his Employment Agreement.
- (4) The amount shown reflects the cash incentive award of three times 110% of the base salary for Mr. Jacobs, two times 85% of the base salary for Messrs. Fincher, Howard and Turner and 75% of the base salary for Mr. Duckworth for 2014, assuming achievement of the performance goals at the maximum level, pursuant to the terms of the Employment Agreements.
- (5) Under the Incentive Plan, all stock options that have not vested as of the date of a participant's termination for any reason shall terminate and expire as of the date of such termination.
- (6) Under the Incentive Plan, all restricted stock and restricted stock units that have not vested as of the date of a participant's termination for any reason are forfeited as of the date of such termination.
- (7) The amount shown reflects the cost of the premiums for continued health and dental insurance for the Named Executive Officer or his dependents, in accordance with COBRA, for a period of 36 months for Mr. Jacobs, 24 months for Messrs. Fincher, Howard and Turner and 12 months for Mr. Duckworth, pursuant to the terms of the Employment Agreements.
- (8) The amount shown reflects the cost of the premiums for continued health and dental insurance for the Named Executive Officer or his dependents, in accordance with COBRA, for a period of six months pursuant to the terms of his Employment Agreement.
- (9) The amount shown reflects unused paid time off, pursuant to the terms of the Named Executive Officer's Employment Agreement and our paid time off policies.

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The table below sets forth the 2014 compensation earned by or paid to our non-management directors. Messrs. Jacobs and Shear do not receive any additional compensation for their services as directors.

Name	Fees Earned or Paid in Cash ⁽¹⁾	Stock Awards ⁽²⁾	Total
E. Perot Bissell	\$ 97,000	\$ 100,200	\$ 197,200
Christopher R. Gordon ⁽³⁾			
William F. Grieco	100,000	100,200	200,200
Allan B. Hubbard ⁽⁴⁾			
Kyle D. Lattner ⁽⁵⁾	60,000	100,200	160,200
Wade D. Miquelon	87,500	100,200	187,700
William M. Petrie, M.D.	82,500	100,200	182,700
Hartley R. Rogers	75,000	100,200	175,200
Reeve B. Waud	75,000	100,200	175,200

(1) Includes annual retainers and fees associated with chairing a Board committee.

(2) This column reflects the grant date fair value of restricted stock awards granted to directors calculated in accordance with ASC 718. On May 22, 2014, each non-management director elected or continuing to serve as a member of the Board received an award of 2,361 shares of restricted stock. The fair value of restricted stock awards is computed by multiplying the total number of shares subject to the award by the closing market price of the Company's common stock on the date of grant (\$42.44). The table above reflects all of the shares of restricted stock awarded to each director during 2014.

As of December 31, 2014, the non-management directors held the following number of shares of restricted stock: 11,151 for Mr. Grieco, 11,151 for Mr. Miquelon, 6,298 for Dr. Petrie, 6,385 for Mr. Waud and 3,105 for each of Messrs. Bissell, Lattner and Rogers.

(3) Mr. Gordon joined the Board on February 11, 2015.

(4) Mr. Hubbard resigned from the Board effective May 22, 2014.

(5) Director compensation paid and/or awarded to Kyle D. Lattner is for the benefit of WCP.

Our Board of Directors adopted a compensation plan for non-management directors effective January 1, 2013 (the Directors Plan), which provides:

An annual cash retainer of \$60,000;

An annual cash retainer of \$15,000 for each member of the Audit Committee and \$30,000 for the chair of the Audit Committee;

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An annual cash retainer of \$12,500 for each member of the Compensation Committee and \$27,500 for the chair of the Compensation Committee;

An annual cash retainer of \$10,000 for each member of the Nominating Committee and \$22,000 for the chair of the Nominating Committee;

An annual cash retainer of \$15,000 for the Lead Director;

An initial grant of restricted stock having a value equal to \$100,000; and

Following the year in which the initial grant of restricted stock was awarded, an annual grant of restricted stock having a value equal to \$100,000.

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In addition to the compensation described above, we also reimburse our directors for travel and out-of-pocket expenses in connection with their attendance at meetings of our Board of Directors.

Under the Directors Plan, all annual retainers shall be paid on the date of our annual meeting of stockholders (the Annual Meeting Date). Each year as of the Annual Meeting Date, each non-management member of our Board who is re-elected or who otherwise continues to be a member of the Board immediately thereafter is automatically granted under the Directors Plan, without further action by us, our Board of Directors, the Compensation Committee or our stockholders, shares of our restricted stock having a value equal to \$100,000. The value of the restricted shares shall be based on the closing trading price of our Common Stock on the trading day immediately preceding the Annual Meeting Date. All restricted shares issued to non-management directors shall vest over three years with such shares to vest 33 1/3% per year on the three successive anniversary dates of the grant of restricted stock beginning on the first anniversary of the grant date.

Each of our directors is a party to an Indemnification Agreement with the Company pursuant to which we have agreed to indemnify and advance expenses to such director in connection with his service as our director, officer or agent to the fullest extent permitted by law and as set forth in each such agreement and, to the extent applicable, to maintain insurance coverage for each such director under our policies of directors and officers liability insurance.

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AUDIT COMMITTEE REPORT

Our management has primary responsibility for preparing our financial statements and implementing internal controls over financial reporting. Our independent registered public accounting firm, Ernst & Young LLP, is responsible for expressing an opinion on the conformity of our audited financial statements with accounting principles generally accepted in the United States and the effectiveness of our internal control over financial reporting.

The role and responsibilities of the Audit Committee are set forth in a written charter adopted by our Board of Directors. The charter is available on our website, www.acadiahealthcare.com, under the webpage Investors Corporate Governance. The Audit Committee reviews and reassesses the adequacy of the charter annually or more often as necessary and recommends any proposed changes to the Board. The Audit Committee acted in accordance with its charter in 2014. In fulfilling its responsibilities for fiscal year 2014, the Audit Committee:

Pre-approved all auditing and non-auditing services of Ernst & Young LLP;

Reviewed and discussed with management our unaudited quarterly financial statements during 2014 and our audited financial statements for the fiscal year ended December 31, 2014, including a discussion of critical accounting policies used in such financial statements;

Reviewed and discussed with the internal auditor the quality and appropriateness of our internal controls and reporting procedures;

Discussed with Ernst & Young LLP the matters required to be discussed by Statement on Auditing Standards No. 16, as amended (AICPA, *Professional Standards*, Vol. 1, AU section 380), as adopted by the Public Company Accounting Oversight Board in Rule 3200T, both with and without management present; and

Received the written disclosures and the letter from Ernst & Young LLP as required by the applicable requirements of the Public Company Accounting Oversight Board regarding Ernst & Young LLP's communications with the Audit Committee concerning independence and discussed with Ernst & Young LLP their independence from us and management.

Based on the Audit Committee's review of the audited financial statements and discussions with management and Ernst & Young LLP as described above, and in reliance thereon, the Audit Committee recommended to our Board of Directors that the audited financial statements for the fiscal year ended December 31, 2014 be included in our Annual Report on Form 10-K for filing with the SEC.

AUDIT COMMITTEE:

William F. Grieco, Chairman
E. Perot Bissell

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CERTAIN RELATIONSHIPS AND RELATED PERSON TRANSACTIONS

The following section references Acadia Healthcare Holdings, LLC (Acadia Holdings), which was a privately owned holding company that owned the Company prior to the consummation of the Company's acquisition of PHC (the PHC Acquisition) and was controlled by WCP.

Registration Rights Agreement

Acadia Holdings entered into an amended and restated registration rights agreement dated as of April 1, 2011 (the Former Registration Rights Agreement) with the holders of substantially all of its equity securities pursuant to which such holders had the right to demand the registration of all or a portion of their securities and have certain piggyback registration rights, subject to certain limitations. In connection with the consummation of the PHC Acquisition, WCP and the other members of Acadia Holdings caused the dissolution of Acadia Holdings and the distribution of the common stock held by Acadia Holdings to its members. In connection with such dissolution and distribution, the Company assumed Acadia Holdings' rights and obligations under the Former Registration Rights Agreement.

Concurrently with the execution of the CRC Merger Agreement, we entered into a second amended and restated registration rights agreement, as amended (the New Registration Rights Agreement), with the Management Investors, WCP and Bain Capital. The New Registration Rights Agreement amended and replaced the Former Registration Rights Agreement. The New Registration Rights Agreement grants certain stockholders demand registration rights for registered offerings and piggyback registration rights with respect to our securities. All expenses incident to registrations are required to be borne by us.

Stockholders Agreement

In connection with consummation of the PHC Acquisition, we entered into the Former Stockholders Agreement with the Management Investors and WCP. The Former Stockholders Agreement entitled WCP, for so long as WCP owned at least 17.5% of our outstanding common stock, to designate the pro rata number of our directors proportional (but rounded up to the nearest whole number) to its percentage ownership of our outstanding common stock, subject to the NASDAQ rules regarding director independence, and gave WCP consent rights to many corporate actions, such as issuing equity or debt securities, paying dividends, acquiring any interest in another company and materially changing our business activities. The Former Stockholders Agreement also contained certain transfer restrictions with respect to our common stock owned by the Management Investors at the time the Former Stockholders Agreement was entered into.

Concurrently with the execution of the CRC Merger Agreement, we entered into the New Stockholders Agreement, with the Management Investors, WCP and Bain Capital. The New Stockholders Agreement amended and replaced the Former Stockholders Agreement and became effective on February 11, 2015 in connection with the closing of our acquisition of CRC.

The New Stockholders Agreement grants WCP the right to designate, following the expiration of the current term of Class II directors designated by WCP, one nominee for election to our board of directors for one additional three-year term. WCP also retains a consent right over the removal of existing directors designated by WCP and any vacancies in such designated board seats may be filled by WCP prior to the expiration of the current terms of such directors.

Certain covenants and consent rights in favor of WCP contained in the Former Stockholders Agreement were removed in the New Stockholders Agreement. The New Stockholders Agreement includes a standstill provision that would prevent Bain Capital from acquiring additional shares of our Common Stock, mounting a proxy contest,

seeking to enter into a merger agreement, taking us private or taking certain other actions involving the sale or purchase of a substantial portion of our securities or debt.

Transfer Restrictions. The New Stockholders Agreement provides that no Management Investor may transfer any interest in any Restricted Shares (as defined below), except as described in the following sentence, without first obtaining the consent of WCP; provided, that the Management Investors may transfer Stockholder Shares to their Permitted Transferees (as defined in the New Stockholders Agreement) as long as the transferring Management Investor retains voting control over the transferred Stockholder Shares. The aforementioned restrictions on transfer do not apply to the following Stockholder Shares:

Stockholder Shares received as consideration in the PHC Acquisition;

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Stockholder Shares purchased or otherwise acquired by any Management Investor after the effective time of the PHC Acquisition (excluding, for the avoidance of doubt, Stockholder Shares received in the dissolution of Acadia Holdings); and

A percentage of Stockholder Shares held by each Management Investor and designated as Unrestricted Shares in accordance with the terms of the New Stockholders Agreement.

The New Stockholders Agreement defines Stockholder Shares as (i) any shares of our Common Stock or other of our or our subsidiaries equity securities from time to time purchased or otherwise acquired or held by any party to the New Stockholders Agreement, (ii) any of our Common Stock or other of our or our subsidiaries equity securities from time to time issued or issuable directly or indirectly upon the conversion, exercise or exchange of any securities purchased or otherwise acquired by any party to the New Stockholders Agreement (excluding options to purchase our Common Stock granted by us unless and until such options are exercised), and (iii) any other capital stock or other of our or our subsidiaries other equity securities from time to time issued or issuable directly or indirectly with respect to the securities referred to in clauses (i) or (ii) above by way of a stock dividend or stock split or in connection with a combination of shares, recapitalization, merger, consolidation or other reorganization.

The New Stockholders Agreement defines Unrestricted Shares, with respect to any Management Investor, as the number of such Management Investor's Subject Shares (as defined below) determined by multiplying (x) the total number of Subject Shares held by such Management Investor as of November 1, 2011 (as appropriately adjusted for stock splits, stock dividends, stock combinations, recapitalizations and the like), by (y) the difference of 100% minus the WCP Liquidity Percentage (as defined below); provided, that (a) from and after November 1, 2014, no fewer than 33% of the Subject Shares held by such Management Investor as of November 1, 2011 shall be Unrestricted Shares, (b) from and after November 1, 2015, no fewer than 67% of the Subject Shares held by such Management Investor as of November 1, 2011 shall be Unrestricted Shares, and (c) from and after November 1, 2016, 100% of such Management Investor's Subject Shares shall be Unrestricted Shares.

The New Stockholders Agreement also defines Subject Shares, with respect to any Management Investor, as all Stockholder Shares purchased or otherwise acquired or held by such Management Investor other than (A) any Stockholder Shares received by such Management Investor as consideration in the PHC Acquisition, and (B) any Stockholder Shares purchased or otherwise acquired by such Management Investor after the effective time of the PHC Acquisition (which, for purposes of clarity, shall not include any Stockholder Shares received by such Management Investor in connection with the dissolution of Acadia Holdings or otherwise in connection with the liquidation and dissolution of Acadia Holdings), and defines WCP Liquidity Percentage as the percentage obtained by dividing (i) the total number of Stockholder Shares constituting WCP Equity (as defined below) as of the date of determination, by (ii) the total number of Stockholder Shares constituting WCP Equity as of November 1, 2011 (as appropriately adjusted for stock splits, stock dividends, stock combinations, recapitalizations and the like).

The New Stockholders Agreement defines WCP Equity as (i) the Common Stock held by WCP on November 1, 2011 and any other Stockholder Shares from time to time issued to or otherwise acquired by WCP (other than pursuant to purchases made on the open market and not in connection with any private placement by us), and (ii) any securities issued with respect to the securities referred to in clause (i) by way of a stock split, stock dividend, or other division of securities, or in connection with a combination of securities, recapitalization, merger, consolidation, or other reorganization. As to any particular securities constituting WCP Equity, such securities shall cease to be WCP Equity when they have been (A) effectively registered under the Securities Act and disposed of for cash in accordance with the registration statement covering them, (B) purchased or otherwise acquired for cash by any person other than WCP, or (C) redeemed or repurchased for cash by the Company or any of its subsidiaries or any designee thereof. The Stockholder Shares not described in clauses (i), (ii) and (iii) of the prior sentence are referred to in the New

Stockholders Agreement as Restricted Shares.

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Lock-Ups. The New Stockholders Agreement provides that no Management Investor or other holder of Restricted Shares will take any of the following actions from the date the Company gives notice to the Management Investors that a preliminary or final prospectus has been circulated for a public offering and during the 90 days following the date of the final prospectus for such public offering: (i) offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any of the Company's or its subsidiaries' equity securities or any securities convertible into or exchangeable or exercisable for such securities; (ii) enter into any transaction which would have the same effect as described in clause (i); (iii) enter into any swap, hedge or other arrangement that transfers, in whole or part, any of the economic consequences or ownership of any of the securities described in clause (i); or (iv) publicly disclose the intention to enter into any transaction described in clauses (i), (ii) or (iii). The foregoing restrictions do not apply to transactions made in the subject public offering and those to which the underwriters managing such public offering agree in writing. As used in this Stockholders Agreement section, public offering refers to any offering by the Company of the Company's or its subsidiaries' capital stock or other equity securities to the public pursuant to an effective registration statement under the Securities Act or any comparable statement under any similar federal statute then in force.

Affiliate Transactions

We have entered into employment agreements with our Named Executive Officers. See the section above entitled EXECUTIVE COMPENSATION - Potential Payments Upon Termination or Change in Control under the Employment Agreements for more information about such employment agreements.

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GENERAL INFORMATION

Stockholder Proposals for 2016 Annual Meeting

Pursuant to Rule 14a-8 under the Exchange Act, proper stockholder proposals intended to be presented at our 2016 annual meeting of stockholders must be received by us at our principal executive offices at 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067 no later than December 12, 2015 for the proposals to be included in the Proxy Statement and form of proxy card for that meeting.

If a stockholder desires to bring a matter before our annual meeting of stockholders and the matter is submitted outside the process of Rule 14a-8, including with respect to nominations for election as directors, the stockholder must follow the procedures set forth in our Bylaws. Our Bylaws provide generally that stockholder proposals and director nominations to be considered at an annual meeting of stockholders may be made by a stockholder only if (1) the stockholder is a stockholder of record and is entitled to vote at the meeting, and (2) the stockholder gives timely written notice of the matter to our corporate secretary. To be timely, a stockholder's notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary of the preceding year's annual meeting of stockholders. However, in the event that our annual meeting is more than 30 days before or more than 70 days after the date of first anniversary of the preceding year's annual meeting of stockholders, notice by the stockholder must be so delivered not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or the tenth day following the day on which public announcement of the date of such meeting is first made by the Company. Under our Bylaws, notice with respect to the 2016 annual meeting of stockholders must be received at our principal executive offices between the dates of January 22, 2016 and February 21, 2016, unless the 2016 annual meeting is called for a date that is more than 30 days before or more than 70 days after May 21, 2016. The notice must set forth the information required by the provisions of our Bylaws dealing with stockholder proposals and nominations of directors.

Annual Report on Form 10-K

As indicated in the Notice of Internet Availability of Proxy Materials, a copy of this Proxy Statement and our 2014 Annual Report to Stockholders has been posted on the website *www.proxyvote.com*. **Upon the written request of any stockholder entitled to vote at the Annual Meeting, we will furnish, without charge, a copy of our Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the SEC. Requests should be directed to Acadia Healthcare Company, Inc., 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067, Attention: Christopher L. Howard, Esq., Executive Vice President, General Counsel and Secretary, (615) 851-6000.** Our Annual Report to Stockholders and Annual Report on Form 10-K are not proxy soliciting materials.

Delivery of Documents to Stockholders Sharing an Address

Householding is a program adopted by the SEC that permits companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for annual reports, proxy statements and the Notices of Internet Availability of proxy materials sent to multiple stockholders of record who have the same address by delivering a single annual report, proxy statement or Notice of Internet Availability of Proxy Materials to that address. Householding is designed to reduce a company's printing costs and postage fees. Brokers with account holders who are stockholders of the Company may be householding the Company's proxy materials. If your household participates in the householding program, you will receive one Notice of Internet Availability of Proxy Materials. If you are a beneficial holder, you can request information about householding from your broker, bank or other nominee.

If you receive more than one Notice of Internet Availability of Proxy Materials, this means that you have multiple accounts holding Common Stock with brokers and/or the Company's transfer agent. Please vote all of your shares by following the instructions included on each Notice of Internet Availability of Proxy Materials. Additionally, to avoid receiving multiple sets of proxy materials in the future, the Company recommends that you contact Broadridge Financial Services, Inc. at www.proxyvote.com or (800) 579-1639 to consolidate as many accounts as possible under the same name and address. If you are a beneficial holder, please call your broker for instructions.

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Electronic Access to Proxy Statement and Annual Report to Stockholders

We have elected to provide this Proxy Statement and our 2014 Annual Report to Stockholders over the Internet through a notice and access model. The Notice of Internet Availability of Proxy Materials provides instructions on how you may access this Proxy Statement and our 2014 Annual Report to Stockholders on the Internet at www.proxyvote.com or request a printed copy at no charge. In addition, the Notice of Internet Availability of Proxy Materials provides instructions on how you may request to receive, at no charge, all future proxy materials in printed form by mail or electronically by email. Your election to receive proxy materials by mail or email will remain in effect until you revoke it. Choosing to receive future proxy materials by email will save us the cost of printing and mailing documents to stockholders and will reduce the impact of our annual meetings on the environment.

ACADIA HEALTHCARE COMPANY, INC.

/s/ Joey A. Jacobs

Joey A. Jacobs
Chairman, Director and Chief Executive Officer

April 10, 2015

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ACADIA HEALTHCARE COMPANY, INC.

ATTN: CHRISTOPHER L. HOWARD

830 CRESCENT CENTRE DRIVE

SUITE 610

FRANKLIN, TN 37067

VOTE BY INTERNET - www.proxyvote.com

Use the Internet to transmit your voting instructions and for electronic delivery of information up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you access the web site and follow the instructions to obtain your records and to create an electronic voting instruction form.

ELECTRONIC DELIVERY OF FUTURE PROXY MATERIALS

If you would like to reduce the costs incurred by our company in mailing proxy materials, you can consent to receiving all future proxy statements, proxy cards and annual reports electronically via e-mail or the Internet. To sign up for electronic delivery, please follow the instructions above to vote using the Internet and, when prompted, indicate that you agree to receive or access proxy materials electronically in future years.

VOTE BY PHONE - 1-800-690-6903

Use any touch-tone telephone to transmit your voting instructions up until 11:59 P.M. Eastern Time the day before the cut-off date or meeting date. Have your proxy card in hand when you call and then follow the instructions.

VOTE BY MAIL

Mark, sign and date your proxy card and return it in the postage-paid envelope we have provided or return it to Vote Processing, do Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

TO VOTE, MARK BLOCKS BELOW IN BLUE OR BLACK INK AS FOLLOWS:

M89422-P62796

KEEP THIS PORTION FOR YOUR RECORDS
DETACH AND RETURN THIS PORTION ONLY

THIS PROXY CARD IS VALID ONLY WHEN SIGNED AND DATED.

**ACADIA HEALTHCARE
COMPANY, INC.**

**For Withhold For All
All Except**

To withhold authority to
vote for any individual

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Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting:

The 2014 Annual Report and Notice and Proxy Statement are available at www.proxyvote.com.

M89423-P62796

ACADIA HEALTHCARE COMPANY, INC.

REVOCABLE PROXY

2015 ANNUAL MEETING OF STOCKHOLDERS

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to Be Held on May 21, 2015: The Proxy Statement and the Company's 2014 Annual Report to Stockholders are available at www.proxyvote.com.

The undersigned hereby appoints Brent Turner and Christopher L. Howard, and either of them, as proxies, with full power of substitution and resubstitution, to vote all of the shares of Common Stock which the undersigned is entitled to vote at the annual meeting of stockholders of Acadia Healthcare Company, Inc., to be held at 830 Crescent Centre Drive, Suite 610, Franklin, Tennessee 37067, on Thursday, May 21, 2015, at 9:30 a.m. (Central Time), and at any adjournment thereof.

This proxy is being solicited by the Board of Directors and will be voted as specified. If not otherwise specified, the above named proxies will vote (a) FOR the election as directors of the nominees named on the reverse side and (b) FOR each of proposals 2 and 3.

Address Change/Comments:

(If you noted any Address Change and/or Comments above, please mark corresponding box on the reverse side.)

Continued and to be signed on reverse side

