

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

**FORM 10-Q**

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the quarterly period ended March 31, 2017  
OR  
 TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
**Commission File No.: 001-16753**



**AMN HEALTHCARE SERVICES, INC.**

*(Exact Name of Registrant as Specified in Its Charter)*

**Delaware**

*(State or Other Jurisdiction of  
Incorporation or Organization)*

**12400 High Bluff Drive, Suite 100  
San Diego, California**

*(Address of Principal Executive Offices)*

**06-1500476**

*(I.R.S. Employer  
Identification No.)*

**92130**

*(Zip Code)*

Registrant's Telephone Number, Including Area Code: **(866) 871-8519**

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

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

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

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

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

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

As of May 3, 2017, there were 47,901,973 shares of common stock, \$0.01 par value, outstanding.

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## PART I - FINANCIAL INFORMATION

### Item 1. Condensed Consolidated Financial Statements

#### AMN HEALTHCARE SERVICES, INC.

#### CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited and in thousands, except par value)

ASSETS	March 31, 2017	December 31, 2016
<b>Current assets:</b>		
Cash and cash equivalents	\$ 37,711	\$ 10,622
Accounts receivable, net of allowances of \$15,171 and \$11,376 at March 31, 2017 and December 31, 2016, respectively	334,782	341,977
Accounts receivable, subcontractor	48,838	49,233
Prepaid expenses	19,498	14,189
Other current assets	31,395	34,607
Total current assets	472,224	450,628
Restricted cash, cash equivalents and investments	29,141	31,287
Fixed assets, net of accumulated depreciation of \$87,843 and \$84,865 at March 31, 2017 and December 31, 2016, respectively	62,620	59,954
Other assets	65,368	57,534
Goodwill	340,564	341,754
Intangible assets, net of accumulated amortization of \$76,652 and \$72,057 at March 31, 2017 and December 31, 2016, respectively	241,130	245,724
Total assets	\$ 1,211,047	\$ 1,186,881
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>Current liabilities:</b>		
Accounts payable and accrued expenses	\$ 136,028	\$ 137,512
Accrued compensation and benefits	99,642	107,993
Current portion of notes payable	3,750	3,750
Deferred revenue	8,840	8,924
Other current liabilities	29,428	16,611
Total current liabilities	277,688	274,790
Notes payable, less unamortized fees	358,512	359,192
Deferred income taxes, net	16,548	21,420
Other long-term liabilities	81,494	82,096
Total liabilities	734,242	737,498
<b>Commitments and contingencies</b>		
<b>Stockholders' equity:</b>		
Preferred stock, \$0.01 par value; 10,000 shares authorized; none issued and outstanding at March 31, 2017 and December 31, 2016	—	—
Common stock, \$0.01 par value; 200,000 shares authorized; 48,326 issued and 47,883 shares issued and outstanding, respectively, at March 31, 2017 and 48,055 shares issued and 47,612 issued and outstanding, respectively, at December 31, 2016	483	481
Additional paid-in capital	447,857	452,491
Treasury stock, at cost (443 shares at March 31, 2017 and December 31, 2016)	(13,261)	(13,261)
Retained earnings	41,679	9,671
Accumulated other comprehensive income	47	1
Total stockholders' equity	476,805	449,383
Total liabilities and stockholders' equity	\$ 1,211,047	\$ 1,186,881

See accompanying notes to unaudited condensed consolidated financial statements.



**AMN HEALTHCARE SERVICES, INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(Unaudited and in thousands, except per share amounts)

	<b>Three Months Ended March 31,</b>	
	<b>2017</b>	<b>2016</b>
Revenue	\$ 495,169	\$ 468,002
Cost of revenue	333,393	316,104
Gross profit	<u>161,776</u>	<u>151,898</u>
Operating expenses:		
Selling, general and administrative	102,073	97,823
Depreciation and amortization	7,668	6,765
Total operating expenses	<u>109,741</u>	<u>104,588</u>
Income from operations	52,035	47,310
Interest expense, net, and other	5,130	3,249
Income before income taxes	46,905	44,061
Income tax expense	14,897	18,192
Net income	<u>\$ 32,008</u>	<u>\$ 25,869</u>
Other comprehensive income (loss):		
Foreign currency translation and other	3	39
Unrealized gain (loss) on cash flow hedge, net of income taxes	43	(463)
Other comprehensive income (loss)	<u>46</u>	<u>(424)</u>
Comprehensive income	<u>\$ 32,054</u>	<u>\$ 25,445</u>
Net income per common share:		
Basic	<u>\$ 0.67</u>	<u>\$ 0.54</u>
Diluted	<u>\$ 0.65</u>	<u>\$ 0.53</u>
Weighted average common shares outstanding:		
Basic	<u>47,782</u>	<u>47,894</u>
Diluted	<u>49,520</u>	<u>49,103</u>

See accompanying notes to unaudited condensed consolidated financial statements.

**AMN HEALTHCARE SERVICES, INC.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(Unaudited and in thousands)

	Three Months Ended March 31,	
	2017	2016
<b>Cash flows from operating activities:</b>		
Net income	\$ 32,008	\$ 25,869
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,668	6,765
Non-cash interest expense and other	579	576
Change in fair value of contingent consideration	23	99
Increase in allowances for doubtful accounts and sales credits	5,408	2,687
Provision for deferred income taxes	(4,900)	(1,201)
Share-based compensation	2,681	3,381
Excess tax benefits from share-based compensation	—	(2,322)
Loss on disposal or sale of fixed assets	65	—
Changes in assets and liabilities, net of effects from acquisitions:		
Accounts receivable	1,787	(15,219)
Accounts receivable, subcontractor	395	916
Income taxes receivable	361	6,006
Prepaid expenses	(5,309)	(2,469)
Other current assets	2,945	(1,477)
Other assets	(3,139)	(2,471)
Accounts payable and accrued expenses	(1,599)	(10,229)
Accrued compensation and benefits	(8,351)	9,775
Other liabilities	16,825	14,079
Deferred revenue	(84)	286
Restricted cash, cash equivalents and investments balance	4,951	176
Net cash provided by operating activities	<u>52,314</u>	<u>35,227</u>
<b>Cash flows from investing activities:</b>		
Purchase and development of fixed assets	(5,498)	(6,618)
Purchase of investments	(4,804)	—
Proceeds from maturity of investments	2,000	—
Change in restricted cash, cash equivalents and investments balance	(1)	—
Payments to fund deferred compensation plan	(4,998)	(2,855)
Cash paid for acquisitions, net of cash received	—	(165,230)
Net cash used in investing activities	<u>(13,301)</u>	<u>(174,703)</u>
<b>Cash flows from financing activities:</b>		
Payments on term loans	(938)	(2,813)
Proceeds from term loans	—	75,000
Proceeds from revolving credit facility	—	85,000
Payment of financing costs	—	(448)
Earn-out payments for prior acquisitions	(3,677)	(900)
Cash paid for shares withheld for taxes	(7,313)	(5,194)
Excess tax benefits from equity awards vested and exercised	—	2,322
Net cash provided by (used in) financing activities	<u>(11,928)</u>	<u>152,967</u>
Effect of exchange rate changes on cash	4	39
Net increase in cash and cash equivalents	27,089	13,530
Cash and cash equivalents at beginning of period	10,622	9,576
Cash and cash equivalents at end of period	<u>\$ 37,711</u>	<u>\$ 23,106</u>



	Three Months Ended March 31,	
	2017	2016
Supplemental disclosures of cash flow information:		
Cash paid for interest (net of \$22 and \$264 capitalized for the three months ended March 31, 2017 and 2016, respectively)	\$ 545	\$ 2,295
Cash paid for income taxes	\$ 2,812	\$ 2,418
Acquisitions:		
Fair value of tangible assets acquired in acquisitions, net of cash received	\$ —	\$ 12,706
Goodwill	—	101,531
Intangible assets	—	69,844
Liabilities assumed	—	(13,139)
Holdback provision	—	(2,122)
Earn-out liabilities	—	(3,590)
Net cash paid for acquisitions	\$ —	\$ 165,230
Supplemental disclosures of non-cash investing and financing activities:		
Purchase of fixed assets recorded in accounts payable and accrued expenses	\$ 2,440	\$ 2,489

See accompanying notes to unaudited condensed consolidated financial statements.



# AMN HEALTHCARE SERVICES, INC.

## NOTES TO UNAUDITED CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (in thousands, except per share amounts)

### 1. BASIS OF PRESENTATION

The condensed consolidated balance sheets and related condensed consolidated statements of comprehensive income and cash flows contained in this Quarterly Report on Form 10-Q (this “Quarterly Report”), which are unaudited, include the accounts of AMN Healthcare Services, Inc. and its wholly-owned subsidiaries (collectively, the “Company”). All significant intercompany balances and transactions have been eliminated in consolidation. In the opinion of management, all entries necessary for a fair presentation of such unaudited condensed consolidated financial statements have been included. These entries consisted of all normal recurring items. The results of operations for the interim period are not necessarily indicative of the results to be expected for any other interim period or for the entire fiscal year or for any future period.

The unaudited condensed consolidated financial statements do not include all information and notes necessary for a complete presentation of financial position, results of operations and cash flows in conformity with accounting principles generally accepted in the United States. Please refer to the Company’s audited consolidated financial statements and the related notes for the fiscal year ended December 31, 2016, contained in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2016, filed with the Securities and Exchange Commission on February 17, 2017 (“2016 Annual Report”).

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. On an ongoing basis, the Company evaluates its estimates, including those related to asset impairments, accruals for self-insurance, compensation and related benefits, accounts receivable, contingencies and litigation, earn-out liabilities, and income taxes. Actual results could differ from those estimates under different assumptions or conditions.

#### *Recently Adopted Accounting Pronouncements*

In March 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2016-09, “Stock Compensation - Improvements to Employee Share-Based Payment Accounting.” The guidance attempts to simplify the accounting for share-based payment transactions in several areas, including the following: income tax consequences, classification of awards as either equity or liabilities, forfeitures, expected term, and statement of cash flows classification. The Company adopted this pronouncement prospectively beginning January 1, 2017. Accordingly, the prior period has not been adjusted and the primary effects of the adoption for the current period are as follows:

- The Company recorded \$4,297 of tax benefits within income tax expense for the three months ended March 31, 2017 related to the excess tax benefit on share-based compensation. Prior to adoption, this amount would have been recorded as additional paid-in capital;
- The Company continued to estimate the number of awards expected to be forfeited in accordance with its existing accounting policy, which is to estimate forfeitures when recording share-based compensation expense;
- The Company excluded the excess tax benefits from the assumed proceeds available to repurchase shares in the computation of its diluted earnings per share for the three months ended March 31, 2017. The effect of this change on its diluted earnings per share was not significant;
- For the three months ended March 31, 2017, cash flows related to excess tax benefits were classified as an operating activity.

There were no other material impacts to the Company’s consolidated financial statements as a result of adopting this updated standard.

## 2. BUSINESS COMBINATIONS

As set forth below, the Company completed three acquisitions since January 1, 2016 (all occurred during 2016). The Company accounted for each acquisition using the acquisition method of accounting. Accordingly, it recorded the tangible and intangible assets acquired and liabilities assumed at their estimated fair values as of the applicable date of acquisition. For each acquisition, the Company did not incur any material acquisition-related costs.

### *Peak Provider Solutions Acquisition*

On June 3, 2016, the Company completed its acquisition of Peak Provider Solutions (“Peak”), which provides remote medical coding and consulting solutions to hospitals and physician medical groups nationwide. The addition of Peak has expanded the Company’s workforce solutions and enables the Company to offer services in coding diagnosis and procedure codes, which is critical to clinical quality reporting and the financial health of healthcare organizations. The initial purchase price of \$52,125 included (1) \$51,645 cash consideration paid upon acquisition, funded through cash-on-hand, net of cash received, and borrowings under the Company’s revolving credit facility, and (2) a contingent earn-out payment of up to \$3,000 with an estimated fair value of \$480 as of the acquisition date. The contingent earn-out payment was based on the operating results of Peak for the year ending December 31, 2016, which resulted in no earn-out payment. As the acquisition was not considered significant, pro forma information is not provided. The results of Peak have been included in the Company’s other workforce solutions segment since the date of acquisition. During the third quarter of 2016, an additional \$275 of cash consideration was paid to the selling shareholders for the final working capital settlement.

The preliminary allocation of the \$52,400 purchase price, which included the additional cash consideration paid for the final working capital settlement, consisted of (1) \$5,658 of fair value of tangible assets acquired, (2) \$9,314 of liabilities assumed, (3) \$19,220 of identified intangible assets, and (4) \$36,836 of goodwill, none of which is deductible for tax purposes. The fair value of intangible assets primarily includes \$7,600 of trademarks and \$11,500 of customer relationships with a weighted average useful life of approximately thirteen years.

### *HealthSource Global Staffing Acquisition*

On January 11, 2016, the Company completed its acquisition of HealthSource Global Staffing (“HSG”), which provides labor disruption and rapid response staffing. The acquisition helps the Company expand its service lines and provide clients with rapid response staffing services. The initial purchase price of \$8,511 included (1) \$2,799 cash consideration paid upon acquisition, funded through cash-on-hand, net of cash received, and settlement of the pre-existing relationship between AMN and HSG, (2) \$2,122 cash holdback for potential indemnification claims, and (3) a tiered contingent earn-out payment of up to \$4,000 with an estimated fair value of \$3,590 as of the acquisition date. The contingent earn-out payment is comprised of (A) up to \$2,000 based on the operating results of HSG for the year ending December 31, 2016, of which, \$1,930 was paid in March 2017, and (B) up to \$2,000 based on the operating results of HSG for the year ending December 31, 2017. As the acquisition was not considered significant, pro forma information is not provided. The results of HSG have been included in the Company’s nurse and allied solutions segment since the date of acquisition. During the third quarter of 2016, the final working capital settlement resulted in \$292 due from the selling shareholders to the Company, which was settled through a reduction to a cash holdback.

The allocation of the \$8,219 purchase price, which was reduced by the final working capital settlement, consisted of (1) \$1,025 of fair value of tangible assets acquired, (2) \$3,698 of liabilities assumed, (3) \$3,944 of identified intangible assets, and (4) \$6,948 of goodwill, none of which is deductible for tax purposes. The intangible assets include the fair value of trademarks, customer relationships, staffing databases, and covenants not to compete with a weighted average useful life of approximately eight years.

### *B.E. Smith Acquisition*

On January 4, 2016, the Company completed its acquisition of B.E. Smith (“BES”), a full-service healthcare interim leadership placement and executive search firm, for \$162,232 in cash, net of cash received, and settlement of the pre-existing relationship between AMN and BES. BES places interim leaders and executives across all healthcare settings, including acute care hospitals, academic medical and children’s hospitals, physician practices, and post-acute care providers. The acquisition provides the Company additional access to healthcare executives and enhances its integrated services to hospitals, health systems, and other healthcare facilities across the nation. To help finance the acquisition, the Company entered into the First Amendment to the Credit Agreement (the “First Amendment”), which provided \$125,000 of additional available borrowings to the Company. The First Amendment was more fully described in “Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (8), Notes Payable and Credit Agreement” of our 2016 Annual Report. The results of BES have been included in the Company’s other workforce solutions segment since the date of acquisition. During the second quarter of 2016, \$524 was returned to the Company for the final working capital settlement.

The allocation of the \$161,708 purchase price, which was reduced by the final working capital settlement, consisted of (1) \$11,953 of fair value of tangible assets acquired, (2) \$7,272 of liabilities assumed, (3) \$65,900 of identified intangible assets, and (4) \$91,127 of goodwill, most of which is deductible for tax purposes. The intangible assets acquired have a weighted average useful life of approximately fifteen years. The following table summarizes the fair value and useful life of each intangible asset acquired:

	<u>Fair Value</u>	<u>Useful Life</u>
		(in years)
Identifiable intangible assets		
Tradenames and Trademarks	\$26,300	20
Customer Relationships	25,700	12
Staffing Database	13,000	10
Non-Compete Agreements	900	5
	<u>\$65,900</u>	

### 3. REVENUE RECOGNITION

Revenue consists of fees earned from the temporary and permanent placement of healthcare professionals and executives as well as from the Company's SaaS-based technology, including its vendor management systems and its scheduling software. Revenue from temporary staffing services is recognized as the services are rendered by the healthcare professional or executive. Under the Company's managed services program arrangements, the Company manages all or a part of a customer's supplemental workforce needs utilizing its own pool of healthcare professionals along with those of third-party subcontractors. When the Company uses subcontractors, revenue is recorded net of the related subcontractor's expense. Payables to subcontractors of \$49,915 and \$51,973 were included in accounts payable and accrued expenses in the unaudited condensed consolidated balance sheet as of March 31, 2017 and the audited consolidated balance sheet as of December 31, 2016, respectively. Revenue from recruitment and permanent placement services is recognized as the services are provided and upon successful placements. The Company's SaaS-based revenue is recognized ratably over the applicable arrangement's service period. Fees billed in advance of being earned are recorded as deferred revenue.

### 4. NET INCOME PER COMMON SHARE

Basic net income per common share is calculated by dividing net income by the weighted average number of common shares outstanding during the reporting period. The following table sets forth the computation of basic and diluted net income per common share for the three months ended March 31, 2017 and 2016, respectively:

	<u>Three Months Ended March 31,</u>	
	<u>2017</u>	<u>2016</u>
Net income	\$ 32,008	\$ 25,869
Net income per common share - basic	\$ 0.67	\$ 0.54
Net income per common share - diluted	\$ 0.65	\$ 0.53
Weighted average common shares outstanding - basic	47,782	47,894
Plus dilutive effect of potential common shares	1,738	1,209
Weighted average common shares outstanding - diluted	<u>49,520</u>	<u>49,103</u>

Share-based awards to purchase 43 shares of common stock were not included in the above calculation of diluted net income per common share for the three months ended March 31, 2016, because the effect of these instruments was anti-dilutive.

### 5. SEGMENT INFORMATION

The Company has three reportable segments: nurse and allied solutions, locum tenens solutions, and other workforce solutions.

The Company's chief operating decision maker relies on internal management reporting processes that provide revenue and operating income by reportable segment for making financial decisions and allocating resources. Segment operating income represents income before income taxes plus depreciation, amortization of intangible assets, share-based compensation, interest expense, net, and other, and unallocated corporate overhead. The Company's management does not evaluate, manage or measure performance of segments using asset information; accordingly, asset information by segment is not prepared or disclosed.

The following table provides a reconciliation of revenue and operating income by reportable segment to consolidated results and was derived from each segment's internal financial information as used for corporate management purposes:

	<b>Three Months Ended March 31,</b>	
	<b>2017</b>	<b>2016</b>
<b>Revenue</b>		
Nurse and allied solutions	\$ 313,523	\$ 297,724
Locum tenens solutions	102,843	102,738
Other workforce solutions	78,803	67,540
	<u>\$ 495,169</u>	<u>\$ 468,002</u>
<b>Segment operating income</b>		
Nurse and allied solutions	\$ 45,980	\$ 41,618
Locum tenens solutions	12,219	13,291
Other workforce solutions	19,857	17,586
	<u>78,056</u>	<u>72,495</u>
Unallocated corporate overhead	15,672	15,039
Depreciation and amortization	7,668	6,765
Share-based compensation	2,681	3,381
Interest expense, net, and other	5,130	3,249
Income before income taxes	<u>\$ 46,905</u>	<u>\$ 44,061</u>

The following table summarizes the activity related to the carrying value of goodwill by reportable segment:

	<b>Nurse and Allied Solutions</b>	<b>Locum Tenens Solutions</b>	<b>Other Workforce Solutions</b>	<b>Total</b>
Balance, January 1, 2017	\$ 104,306	\$ 19,743	\$ 217,705	\$ 341,754
Goodwill adjustment for HSG acquisition	(1,199)	—	—	(1,199)
Goodwill adjustment for Peak acquisition	—	—	9	9
Balance, March 31, 2017	<u>\$ 103,107</u>	<u>\$ 19,743</u>	<u>\$ 217,714</u>	<u>\$ 340,564</u>
Accumulated impairment loss as of December 31, 2016 and March 31, 2017	<u>\$ 154,444</u>	<u>\$ 53,940</u>	<u>\$ 6,555</u>	<u>\$ 214,939</u>

## 6. FAIR VALUE MEASUREMENT

The Company's valuation techniques and inputs used to measure fair value and the definition of the three levels (Level 1, Level 2, and Level 3) of the fair value hierarchy are disclosed in Part II, Item 8, "Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note 4—Fair Value Measurement" of the 2016 Annual Report. The Company has not changed the valuation techniques or inputs it uses for its fair value measurement during the three months ended March 31, 2017.

### *Assets and Liabilities Measured on a Recurring Basis*

The Company's restricted cash equivalents that serve as collateral for the Company's outstanding letters of credit typically consist of money market funds that are measured at fair value based on quoted prices, which are Level 1 inputs.

The Company's restricted cash equivalents and investments that serve as collateral for the Company's captive insurance company primarily consist of commercial paper that is measured at observable market prices for identical securities that are

traded in less active markets, which are Level 2 inputs. Of the \$23,450 commercial paper as of March 31, 2017, \$13,956 had original maturities greater than three months, which were considered available for sale securities. As of December 31, 2016, the Company had \$25,610 commercial paper, of which \$11,152 had original maturities greater than three months and were considered available for sale securities.

The Company's interest rate swap is measured at fair value using a discounted cash flow analysis that includes the contractual terms, including the period to maturity, and Level 2 observable market-based inputs, including interest rate curves. The fair value of the swap is determined by netting the discounted future fixed cash receipts payments and the discounted expected variable cash receipts. The variable cash receipts are based on an expectation of future interest rates (forward curves) derived from observable market interest rate yield curves. The valuation also considers credit risk adjustments that are necessary to reflect the probability of default by the counterparty or the Company, which are considered Level 3 inputs; however, as of March 31, 2017, the credit risk adjustments, including nonperformance risk, were considered insignificant to the total fair value of the interest rate swap.

The Company's contingent consideration liabilities are measured at fair value using probability-weighted discounted cash flow analysis for the acquired companies, which are Level 3 inputs.

The following tables present information about the above-referenced assets and liabilities and indicate the fair value hierarchy of the valuation techniques utilized to determine such fair value:

Fair Value Measurements as of March 31, 2017				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 4,629	\$ 4,629	\$ —	\$ —
Commercial paper	23,450	—	23,450	—
Interest rate swap asset	94	—	94	—
Acquisition contingent consideration earn-out liabilities	(1,909)	—	—	(1,909)

Fair Value Measurements as of December 31, 2016				
	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Money market funds	\$ 4,627	\$ 4,627	\$ —	\$ —
Commercial paper	25,610	—	25,610	—
Interest rate swap asset	24	—	24	—
Acquisition contingent consideration earn-out liabilities	(6,816)	—	—	(6,816)

### Level 3 Information

The following table sets forth a reconciliation of changes in the fair value of contingent consideration liabilities classified as Level 3 in the fair value hierarchy:

	Three Months Ended March 31,	
	2017	2016
Balance as of January 1, \$	(6,816)	\$ (3,770)
Settlement of TFS earn-out for year ended December 31, 2015	—	1,000
Contingent consideration earn-out liability from HSG acquisition on January 11, 2016	—	(3,590)
Change in fair value of contingent consideration earn-out liability from Avantas acquisition	—	660
Change in fair value of contingent consideration earn-out liability from TFS acquisition	—	(697)
Change in fair value of contingent consideration earn-out liability from HSG acquisition	(23)	(62)
Settlement of TFS earn-out for year ended December 31, 2016	3,000	—
Settlement of HSG earn-out for year ended December 31, 2016	1,930	—
Balance as of March 31,	\$ (1,909)	\$ (6,459)

### Assets Measured on a Non-Recurring Basis

The Company applies fair value techniques on a non-recurring basis associated with valuing potential impairment losses related to its goodwill, indefinite-lived intangible assets, long-lived assets, and equity method investment.

The Company evaluates goodwill and indefinite-lived intangible assets annually for impairment and whenever circumstances occur indicating that goodwill might be impaired. The Company determines the fair value of its reporting units based on a combination of inputs, including the market capitalization of the Company, as well as Level 3 inputs such as discounted cash flows, which are not observable from the market, directly or indirectly. The Company determines the fair value of its indefinite-lived intangible assets using the income approach (relief-from-royalty method) based on Level 3 inputs.

There were no triggering events identified and no indication of impairment of the Company's goodwill, indefinite-lived intangible assets, long-lived assets, or equity method investment during the three months ended March 31, 2017 and 2016.

### Fair Value of Financial Instruments

The carrying amount of the Company's senior notes and term loan approximate their fair values. As it relates to the term loan, the Company amended its credit facilities in January and September 2016 to increase the capacity of the revolver and to secure an additional term loan, and the variable interest rate under the revolver and the term loans (LIBOR plus 1.50% to 2.25% or a base rate plus a spread of 0.50% to 1.25%, at the Company's option) has remained unchanged since the amendment. As it relates to the senior notes issued in October 2016, they have a fixed rate of 5.125% and there have been no changes in available rates for similar debt since the date of issuance. See additional information in "Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (8), Notes Payable and Credit Agreement" of our 2016 Annual Report.

The fair value of the Company's long-term self-insurance accruals cannot be estimated as the Company cannot reasonably determine the timing of future payments.

## 7. INCOME TAXES

The Company is subject to taxation in the U.S. and various states and foreign jurisdictions. With few exceptions, as of March 31, 2017, the Company is no longer subject to state, local or foreign examinations by tax authorities for tax years before 2006, and the Company is no longer subject to U.S. federal income or payroll tax examinations for tax years before 2011. The Company's tax years 2007, 2008, 2009 and 2010 had been under audit by the Internal Revenue Service ("IRS") for several years and in 2014, the IRS issued the Company its Revenue Agent Report ("RAR") and an Employment Tax

Examination Report (“ETER”). The RAR proposed adjustments to the Company’s taxable income for 2007-2010 and net operating loss carryforwards for 2005 and 2006, resulting from the proposed disallowance of certain per diems paid to the Company’s healthcare professionals, and the ETER proposed assessments for additional payroll tax liabilities and penalties for tax years 2009 and 2010 related to the Company’s treatment of certain non-taxable per diem allowances and travel benefits. The positions in the RAR and ETER were mutually exclusive, and contained multiple tax positions, some of which were contrary to each other. The Company filed a Protest Letter for both the RAR and ETER positions in 2014 and the Company received a final determination from the IRS in July 2015 on both the RAR adjustments and ETER assessments, effectively settling these audits with the IRS for \$7,200 (including interest) during the third quarter of 2015. As a result of the settlement, the Company recorded federal income tax benefits of approximately \$12,200 during the quarter ended September 30, 2015, state income tax benefits (net of federal tax impact) of \$568 for the year ended December 31, 2016, and expects to record state income tax benefits (net of federal tax impact) of approximately \$1,200 by fiscal year 2019, when the various state statutes are projected to lapse.

The IRS conducted and completed a separate audit of the Company’s 2011 and 2012 tax years that focused on income and employment tax issues similar to those raised in the 2007 through 2010 examination. The IRS completed its audit during the quarter ended March 31, 2015, and issued its RAR and ETER to the Company with proposed adjustments to the Company’s taxable income for 2011 and 2012 and net operating loss carryforwards from 2010 and assessments for additional payroll tax liabilities and penalties for 2011 and 2012 related to the Company’s treatment of certain non-taxable per diem allowances and travel benefits. The positions in the RAR and ETER for the 2011 and 2012 years are mutually exclusive and contain multiple tax positions, some of which are contrary to each other. The Company filed a Protest Letter for both the RAR and ETER in April 2015 and the matter is currently at IRS Appeals. The Company has met with the IRS Appeals office and will continue to meet with the IRS Appeals office during the next twelve months. The Company cannot predict with certainty the timing of a resolution of such matter. The IRS began an audit of the Company’s 2013 tax year during the quarter ended June 30, 2015. The Company believes its reserve for unrecognized tax benefits and contingent tax issues is adequate with respect to all open years. Notwithstanding the foregoing, the Company could adjust its provision for income taxes and contingent tax liability based on future developments.

## **8. COMMITMENTS AND CONTINGENCIES: LEGAL**

From time to time, the Company is involved in various lawsuits, claims, investigations, and proceedings that arise in the ordinary course of business. These matters typically relate to professional liability, tax, payroll, contract, competitor disputes and employee-related matters and include individual and collective lawsuits, as well as inquiries and investigations by governmental agencies regarding the Company’s employment practices. Additionally, some of the Company’s clients may also become subject to claims, governmental inquiries and investigations, and legal actions relating to services provided by the Company’s healthcare professionals. Depending upon the particular facts and circumstances, the Company may also be subject to indemnification obligations under its contracts with such clients relating to these matters. The Company records a liability when management believes an adverse outcome from a loss contingency is both probable and the amount, or a range, can be reasonably estimated. Significant judgment is required to determine both probability of loss and the estimated amount. The Company reviews its loss contingencies at least quarterly and adjusts its accruals and/or disclosures to reflect the impact of negotiations, settlements, rulings, advice of legal counsel, or other new information, as deemed necessary. The most significant matters for which the Company has established loss contingencies are class actions related to wage and hour claims. Management currently believes the probable loss related to these wage and hour claims is not material and the amount accrued by the Company for such claims is not material as of March 31, 2017. However, losses ultimately incurred for such claims could materially differ from amounts already accrued by the Company.

With regards to outstanding loss contingencies as of March 31, 2017, which are included in accounts payable and accrued expenses in the consolidated balance sheet, the Company believes that such matters will not, either individually or in the aggregate, have a material adverse effect on its business, consolidated financial position, results of operations, or cash flows.

## **9. BALANCE SHEET DETAILS**

The consolidated balance sheets detail is as follows as of March 31, 2017 and December 31, 2016 :

	March 31, 2017	December 31, 2016
<b>Other current assets:</b>		
Restricted cash and cash equivalents	\$ 17,592	\$ 20,271
Other	13,803	14,336
Other current assets	<u>\$ 31,395</u>	<u>\$ 34,607</u>
<b>Fixed assets:</b>		
Furniture and equipment	\$ 26,487	\$ 25,582
Software	116,194	112,405
Leasehold improvements	7,782	6,832
	<u>150,463</u>	<u>144,819</u>
Accumulated depreciation	(87,843)	(84,865)
Fixed assets, net	<u>\$ 62,620</u>	<u>\$ 59,954</u>
<b>Other assets:</b>		
Life insurance cash surrender value	\$ 38,421	\$ 32,190
Other	26,947	25,344
Other assets	<u>\$ 65,368</u>	<u>\$ 57,534</u>
<b>Accounts payable and accrued expenses:</b>		
Trade accounts payable	\$ 33,158	\$ 33,392
Subcontractor payable	49,915	51,973
Accrued expenses	42,174	37,251
Professional liability reserve	8,199	10,254
Other	2,582	4,642
Accounts payable and accrued expenses	<u>\$ 136,028</u>	<u>\$ 137,512</u>
<b>Accrued compensation and benefits:</b>		
Accrued payroll	\$ 31,297	\$ 30,917
Accrued bonuses	13,147	26,992
Accrued travel expense	3,120	2,972
Accrued health insurance reserve	3,501	3,189
Accrued workers compensation reserve	8,323	8,406
Deferred compensation	38,685	32,690
Other	1,569	2,827
Accrued compensation and benefits	<u>\$ 99,642</u>	<u>\$ 107,993</u>
<b>Other current liabilities:</b>		
Acquisition related liabilities	\$ 5,016	\$ 6,921
Income taxes payable	16,952	451
Other	7,460	9,239
Other current liabilities	<u>\$ 29,428</u>	<u>\$ 16,611</u>
<b>Other long-term liabilities:</b>		
Workers' compensation reserve	\$ 18,396	\$ 18,708
Professional liability reserve	39,361	37,338
Deferred rent	13,761	13,274
Unrecognized tax benefits	8,586	8,464
Other	1,390	4,312
Other long-term liabilities	<u>\$ 81,494</u>	<u>\$ 82,096</u>





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

The following discussion should be read in conjunction with our consolidated financial statements and the notes thereto and other financial information included elsewhere herein and in our Annual Report on Form 10-K for the fiscal year ended December 31, 2016 , filed with the Securities and Exchange Commission (“SEC”) on February 17, 2017 (“ 2016 Annual Report”). Certain statements in this “Management’s Discussion and Analysis of Financial Condition and Results of Operations” are “forward-looking statements.” See “Special Note Regarding Forward-Looking Statements.” We undertake no obligation to update the forward-looking statements in this Quarterly Report. References in this Quarterly Report to “AMN Healthcare,” the “Company,” “we,” “us” and “our” refer to AMN Healthcare Services, Inc. and its wholly owned subsidiaries.

### **Overview of Our Business**

We provide healthcare workforce solutions and staffing services to healthcare facilities across the nation. As an innovative workforce solutions partner, our managed services programs, or “MSP,” vendor management systems, or “VMS,” recruitment process outsourcing, or “RPO,” workforce optimization services, medical coding and consulting services, and the placement of physicians, nurses, allied healthcare professionals, and healthcare executives into temporary and permanent positions enable our clients to successfully reduce staffing complexity, increase efficiency and lead their organizations within the rapidly evolving healthcare environment. Our clients include acute and sub-acute care hospitals, community health centers and clinics, physician practice groups, retail and urgent care centers, home health facilities, and many other healthcare settings. Our clients utilize our workforce solutions and healthcare staffing services to strategically plan for and meet their workforce needs in an economically beneficial manner. Our managed services program and vendor management systems enable healthcare organizations to increase their efficiency by managing all of their supplemental workforce needs through one company or technology.

We conduct business through three reportable segments: (1) nurse and allied solutions, (2) locum tenens solutions, and (3) other workforce solutions. For the three months ended March 31, 2017 , we recorded revenue of \$495.2 million , as compared to \$468.0 million for the same period last year. For the three months ended March 31, 2017 , we recorded net income of \$32.0 million , as compared to \$25.9 million for the same period last year.

Nurse and allied solutions segment revenue comprised 63% and 64% of total consolidated revenue for the three months ended March 31, 2017 and 2016 , respectively. Through our nurse and allied solutions segment, we provide hospitals and other healthcare facilities with a comprehensive managed services solution in which we manage and staff all of the temporary nursing and allied staffing needs of a client and traditional clinical staffing solutions of variable assignment lengths.

Locum tenens solutions revenue comprised 21% and 22% of total consolidated revenue for the three months ended March 31, 2017 and 2016 , respectively. Through our locum tenens solutions segment, we provide a comprehensive managed services solution in which we manage all of the locum tenens needs of a client and place physicians of all specialties, as well as dentists and other advanced practice providers, with clients on a temporary basis as independent contractors. These locum tenens providers are used by our healthcare facility and physician practice group clients to fill temporary vacancies created by vacation and leave schedules and to bridge the gap while they seek permanent candidates or explore expansion. Our locum tenens clients represent a diverse group of healthcare organizations throughout the United States, including hospitals, health systems, medical groups, occupational medical clinics, psychiatric facilities, government institutions, and insurance entities. The professionals we place are recruited nationwide and are typically placed on contracts with assignment lengths ranging from a few days up to one year.

Other workforce solutions segment revenue comprised 16% and 14% of total consolidated revenue for the three months ended March 31, 2017 and 2016 , respectively. Through our other workforce solutions segment, we provide hospitals and other healthcare facilities with a range of workforce solutions, including: (1) identifying and recruiting physicians and healthcare leaders for permanent placement, (2) placing interim leaders and executives across all healthcare settings, (3) a software-as-a-service (“SaaS”) VMS through which our clients can manage all of their temporary staffing needs, (4) RPO services that leverage our expertise and support systems to replace or complement a client’s existing internal recruitment function for permanent placement needs, (5) an education program that provides custom healthcare education, research, professional practice tools, and professional development services, (6) medical coding and related consulting services, and (7) workforce optimization services that include consulting, data analytics, predictive modeling, and SaaS-based scheduling technology.

### **Recent Trends**

Demand for our temporary and permanent placement staffing services is driven in part by US economic and labor trends. The Bureau of Labor’s survey data reflects near record levels of healthcare job openings and quits, which are viewed as positive trends for the healthcare staffing industry. At the same time, the entire healthcare industry faces uncertainty related to the potential repeal of or significant changes to the Affordable Care Act, which could impact reimbursement and the utilization of healthcare services.

With respect to our business, specifically, interest from healthcare providers for workforce solutions, like MSP, remains strong. MSP revenue, which represents a longer term strategic relationship with clients, continues to increase faster than our traditional staffing revenue. However, we have not experienced the typical seasonal increase in demand from our MSP or traditional staffing clients for staffing services in our nurse and allied solutions segment.

In our locum tenens solutions segment, demand trends remain favorable in most specialties. However, the primary constraint to faster growth in the business is the ability to recruit, credential, and place an ample number of physicians to match the geographies of our demand. In April, seven states implemented the Interstate Medical Licensure Compact for physicians, which we believe may help address the geographic constraints of this business.

## Critical Accounting Policies and Estimates

The preparation of our consolidated financial statements in conformity with United States generally accepted accounting principles (“U.S. GAAP”) requires us to make estimates and judgments that affect our reported amounts of assets and liabilities, revenue and expenses, and related disclosures of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to asset impairments, accruals for self-insurance, compensation and related benefits, accounts receivable, contingencies and litigation, earn-out liabilities, and income taxes. We base these estimates on the information that is currently available to us and on various other assumptions that we believe are reasonable under the circumstances. Actual results could vary from these estimates under different assumptions or conditions. If these estimates differ significantly from actual results, our consolidated financial statements and future results of operations may be materially impacted. There have been no material changes in our critical accounting policies and estimates, other than the adoption of Accounting Standards Update (“ASU”) 2016-09 described in the accompanying Note 1, “Basis of Presentation,” as compared to the critical accounting policies and estimates described in our 2016 Annual Report.

## Results of Operations

The following table sets forth, for the periods indicated, selected unaudited condensed consolidated statements of operations data as a percentage of revenue. Our results of operations include three reportable segments: (1) nurse and allied solutions, (2) locum tenens solutions, and (3) other workforce solutions. The Peak acquisition impacts the comparability of the results between the three months ended March 31, 2017 and 2016. Our historical results are not necessarily indicative of our future results of operations.

	Three Months Ended March 31,	
	2017	2016
<b>Unaudited Condensed Consolidated Statements of Operations:</b>		
Revenue	100.0%	100.0%
Cost of revenue	67.3	67.5
Gross profit	32.7	32.5
Selling, general and administrative	20.6	20.9
Depreciation and amortization	1.6	1.5
Income from operations	10.5	10.1
Interest expense, net, and other	1.0	0.7
Income before income taxes	9.5	9.4
Income tax expense	3.0	3.9
Net income	6.5%	5.5%

### *Comparison of Results for the Three Months Ended March 31, 2017 to the Three Months Ended March 31, 2016*

**Revenue.** Revenue increased 6% to \$495.2 million for the three months ended March 31, 2017 from \$468.0 million for the same period in 2016, due to additional revenue of \$7.4 million resulting from our Peak acquisition in June 2016 with the remainder of the increase driven by 4% organic growth.

Nurse and allied solutions segment revenue increased 5% to \$313.5 million for the three months ended March 31, 2017 from \$297.7 million for the same period in 2016. The \$15.8 million increase was primarily attributable to a 7% increase in the average number of healthcare professionals on assignment and a 3% increase in the average bill rate during the three months ended March 31, 2017. The increase was partially offset by an approximately \$11.0 million decrease in labor disruption revenue and the impact of a lower calendar day due to leap year last year.

Locum tenens solutions segment revenue was \$102.8 million for the three months ended March 31, 2017, as compared to \$102.7 million for the same period in 2016. The \$0.1 million increase was primarily attributable to a 5% increase in the revenue per day filled during the three months ended March 31, 2017 and offset by a 5% decrease in the number of days filled.

Other workforce solutions segment revenue increased 17% to \$78.8 million for the three months ended March 31, 2017 from \$67.5 million for the same period in 2016. Of the \$11.3 million increase, \$7.4 million was attributable to the additional revenue in connection with the Peak acquisition in June 2016 with the remainder primarily attributable to growth in our VMS, interim leadership, and workforce optimization revenues during the three months ended March 31, 2017.

**Gross Profit.** Gross profit increased 7% to \$161.8 million for the three months ended March 31, 2017 from \$151.9 million for the same period in 2016, representing gross margins of 32.7% and 32.5%, respectively. The increase in consolidated gross margin was primarily due to lower health insurance costs in the nurse and allied solutions segment during the three months ended March 31, 2017. Gross margin by reportable segment for the three months ended March 31, 2017 and 2016 was 27.7% and 26.6% for nurse and allied solutions, 30.7% and 31.0% for locum tenens solutions, and 55.0% and 60.3% for other workforce solutions, respectively. The other workforce solutions segment decrease was primarily due to the change in sales mix resulting from the addition of Peak in June 2016, lower leadership margins, and revenue mix changes within the segment.

**Selling, General and Administrative Expenses.** Selling, general and administrative (“SG&A”) expenses were \$102.1 million, representing 20.6% of revenue, for the three months ended March 31, 2017, as compared to \$97.8 million, representing 20.9% of revenue, for the same period in 2016. The increase in SG&A expenses was primarily due to \$1.1 million of additional SG&A expenses from the Peak acquisition, as well as increased variable compensation and other expenses associated with our revenue growth. The increase in unallocated corporate overhead was primarily attributable to higher employee and variable expenses to support our growth. SG&A expenses broken down among the reportable segments, unallocated corporate overhead, and share-based compensation are as follows:

	(In Thousands)	
	Three Months Ended March 31,	
	2017	2016
Nurse and allied solutions	\$ 40,877	\$ 37,696
Locum tenens solutions	19,359	18,555
Other workforce solutions	23,484	23,152
Unallocated corporate overhead	15,672	15,039
Share-based compensation	2,681	3,381
	\$ 102,073	\$ 97,823

**Depreciation and Amortization Expenses.** Amortization expense increased 5% to \$4.6 million for the three months ended March 31, 2017 from \$4.4 million for the same period in 2016, primarily attributable to additional amortization expense related to the intangible assets acquired in the Peak acquisition. Depreciation expense increased 29% to \$3.1 million for the three months ended March 31, 2017 from \$2.4 million for the same period in 2016, primarily attributable to fixed assets acquired as part of the Peak acquisition and an increase in purchased and developed hardware and software placed in service for our ongoing front and back office information technology initiatives.

**Interest Expense, Net, and Other.** Interest expense, net, and other, was \$5.1 million during the three months ended March 31, 2017 as compared to \$3.2 million for the same period in 2016. The increase is primarily due to higher interest bearing Notes (as defined below) for the three months ended March 31, 2017, as compared to the term loans in the same period last year.

**Income Tax Expense.** Income tax expense was \$14.9 million for the three months ended March 31, 2017 as compared to income tax expense of \$18.2 million for the same period in 2016, reflecting effective income tax rates of 32% and 41% for the

three months ended March 31, 2017 and 2016, respectively. The difference in the effective income tax rate was primarily attributable to the relationship of pre-tax income to permanent differences related to unrecognized tax benefits and the adoption of ASU 2016-09, “Stock Compensation - Improvements to Employee Share-Based Payment Accounting” in the first quarter of 2017, which resulted in recording a \$4.3 million reduction in income tax expense. Prior to adoption, this amount would have been recorded as additional paid-in capital. Since the majority of our equity awards vest during the first quarter, we do not anticipate the recording of additional excess tax benefits of this magnitude for the remainder of the year. This change could create future volatility in our effective tax rate depending upon the amount of exercise or vesting activity from our share-based awards. See additional information in the accompanying Note 1 “Basis of Presentation.” Including the impact of the adoption of ASU 2016-09, we currently estimate our annual effective income tax rate to be approximately 39% for 2017.

## Liquidity and Capital Resources

In summary, our cash flows were:

	(In Thousands)	
	Three Months Ended March 31,	
	2017	2016
Net cash provided by operating activities	\$ 52,314	\$ 35,227
Net cash used in investing activities	(13,301)	(174,703)
Net cash provided by (used in) financing activities	(11,928)	152,967

Historically, our primary liquidity requirements have been for acquisitions, working capital requirements, and debt service under our credit facilities and senior notes. We have funded these requirements through internally generated cash flow and funds borrowed under our credit facilities. As of March 31, 2017, (1) the total of our term loan outstanding (including both current and long-term portions), less unamortized fees, was \$43.0 million, (2) zero was drawn from \$264.2 million of available credit under the revolving credit facility (the “Revolver”), and (3) the aggregate principal amount of our 5.125% Senior Notes due 2024 (the “Notes”) outstanding equaled \$325.0 million. We describe in further detail our amended credit agreement, under which our term loan and Revolver are governed and the Notes in “Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (8), Notes Payable and Credit Agreement” of our 2016 Annual Report.

In April 2015, we entered into an interest rate swap agreement to minimize our exposure to interest rate fluctuations on \$100 million of our outstanding variable rate debt under one of our term loans for which we pay a fixed rate of 0.983% per annum and receive a variable rate equal to floating one-month LIBOR. This agreement expires on March 30, 2018, and no initial investment was made to enter into this agreement. On October 3, 2016, we reduced the interest rate swap notional amount to \$40 million. On May 3, 2017, we terminated the remaining interest rate swap.

We believe that cash generated from operations and available borrowings under the Revolver will be sufficient to fund our operations for at least the next year. We intend to finance potential future acquisitions either with cash provided from operations, borrowings under the Revolver, bank loans, debt or equity offerings, or some combination of the foregoing. The following discussion provides further details of our liquidity and capital resources.

### *Operating Activities*

Net cash provided by operating activities for the three months ended March 31, 2017 was \$52.3 million, compared to \$35.2 million for the same period in 2016. The increase in net cash provided by operating activities was primarily attributable to (1) improved operating results, (2) a decrease in accounts receivable and subcontractor receivable between periods due to timing of collections, (3) a decrease in restricted cash, cash equivalents and investments attributable to cash payments made to our captive insurance entity, which are restricted for use by the captive for future claim payments and, to a lesser extent, its working capital needs, and (4) excess tax benefits on the vesting of employee equity awards resulting from the adoption of a new accounting pronouncement discussed in the accompanying Note (1), Basis of Presentation. The overall increase was partially offset by a decrease in accounts payable and accrued expenses as well as accrued compensation and benefits between periods due to timing of payments. Our Days Sales Outstanding (“DSO”) was 61 days at March 31, 2017, 64 days at December 31, 2016, and 59 days at March 31, 2016.

### *Investing Activities*

Net cash used in investing activities for the three months ended March 31, 2017 was \$13.3 million, compared to \$174.7 million for the same period in 2016. The decrease was primarily due to no cash paid for the acquisitions during the three months ended March 31, 2017 as compared to \$165.2 million used for acquisitions during the three months ended March 31,

2016 , which was partially offset by a net \$2.8 million restricted investment related to our captive insurance entity during the three months ended March 31, 2017 . Capital expenditures were \$5.5 million and \$6.6 million for the three months ended March 31, 2017 and 2016 , respectively.

### ***Financing Activities***

Net cash used in financing activities during the three months ended March 31, 2017 was \$11.9 million , primarily due to \$3.7 million for acquisition contingent consideration earn-out payments and \$7.3 million in cash paid for shares withheld for payroll taxes resulting from the vesting of employee equity awards. Net cash provided by financing activities during the three months ended March 31, 2016 was \$153.0 million , primarily due to borrowings of \$85.0 million under the Revolver and \$75.0 million of borrowings under a new term loan under our amended credit agreement to fund our BES and HSG acquisitions, partially offset by the repayment of \$2.8 million under our term loans, and cash paid for shares withheld for payroll taxes resulting from the vesting of employee equity awards.

### ***Letters of Credit***

At March 31, 2017 , we maintained outstanding standby letters of credit totaling \$14.9 million as collateral in relation to our professional liability insurance agreements, workers' compensation insurance agreements, and a corporate office lease agreement. Of the \$14.9 million of outstanding letters of credit, we have collateralized \$4.1 million in cash and cash equivalents and the remaining amounts are collateralized by the Revolver. Outstanding standby letters of credit at December 31, 2016 totaled \$15.4 million.

### **Off-Balance Sheet Arrangements**

At March 31, 2017 , we did not have any off-balance sheet arrangement that has or is reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures, or capital resources that is material to investors.

### **Contractual Obligations**

There have been no material changes to the table entitled "Contractual Obligations" in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in our 2016 Annual Report that occurred during the three months ended March 31, 2017 .

### **Recent Accounting Pronouncements**

In May 2014, the Financial Accounting Standards Board ("FASB") issued new accounting guidance related to revenue recognition. This new standard will replace all current U.S. GAAP guidance on this topic and eliminate all industry-specific guidance. The new revenue recognition standard provides a unified model to determine when and how revenue is recognized. The core principle is that a company should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration for which the entity expects to be entitled in exchange for those goods or services. This guidance provides that the standard will be effective for us beginning January 1, 2017 and can be applied either retrospectively to each period presented or as a cumulative-effect adjustment as of the date of adoption. In July 2015, the FASB voted to amend the guidance by approving a one-year delay in the effective date of the new standard to 2018. We are in the process of analyzing the impact of this standard and evaluating the impact on our consolidated financial statements. This includes reviewing current accounting policies and practices to identify potential differences that would result from applying the requirements under the new standard. We expect to complete the evaluation and validate results by the end of the second quarter of 2017. We expect to complete the evaluation of the impact of the accounting and disclosure requirements on our business processes, controls and systems by the end of the third quarter of 2017. A full assessment is expected to be completed by the end of 2017. We will adopt this standard in the first quarter of 2018, and apply the modified retrospective approach. We are currently evaluating the impact of adopting this new standard on our consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, "Leases." This standard requires organizations that lease assets to recognize the assets and liabilities created by those leases. The standard also will require disclosures to help investors and other financial statement users better understand the amount, timing, and uncertainty of cash flows arising from leases. The ASU becomes effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. We are required to adopt the guidance on a modified retrospective basis and can elect to apply optional practical expedients. We are currently evaluating the approach we will take and the impact of adopting this new standard on our consolidated financial statements and related disclosures.

In March 2016, the FASB issued ASU 2016-08, "Revenue from Contracts with Customers - Principal versus Agent Consideration (Reporting Revenue Gross versus Net)." The standard attempts to clarify the implementation guidance on principal versus agent considerations. When an entity that is a principal satisfies a performance obligation, the entity recognizes revenue in the gross amount of consideration to which it expects to be entitled in exchange for the specified good or service

transferred to the customer. When an entity that is an agent satisfies a performance obligation, the entity recognizes revenue in the amount of any fee or commission to which it expects to be entitled in exchange for arranging for the specified good or service to be provided by the other party. The ASU affects the guidance in ASU 2014-09, Revenue from Contracts with Customers (Topic 606), which is not yet effective. The effective date and transition requirements for the amendments in this ASU are the same as the effective date and transition requirements of ASU 2014-09. ASU No. 2015-14, Revenue from Contracts with Customers (Topic 606): Deferral of the Effective Date, defers the effective date of ASU 2014-09 by one year to annual periods beginning after December 15, 2017. We will adopt this standard in the first quarter of 2018, and apply the modified retrospective approach. We are currently evaluating the effect that adopting this new standard will have on our financial statements and related disclosures.

In August 2016, the FASB issued ASU 2016-15, “Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments.” The standard provides guidance on how certain cash receipts and payments are presented and classified in the statement of cash flows. For public entities, ASU 2016-15 is effective for fiscal years beginning after December 15, 2017, and interim periods within those annual periods, and requires a retrospective approach. Early adoption is permitted, including adoption in an interim period. We are currently evaluating the timing of this new standard’s adoption and the effect that adopting it will have on our financial statements and related disclosures.

In November 2016, the FASB issued ASU 2016-18, “Statement of Cash Flows (Topic 230): Restricted Cash.” The standard requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. Therefore, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The new guidance is effective for interim and annual periods beginning after December 15, 2017 and early adoption is permitted. The amendment should be adopted retrospectively. We are currently evaluating the timing of this new standard’s adoption and the effect that adopting it will have on our financial statements and related disclosures.

In January 2017, the FASB issued ASU 2017-04, “Intangibles – Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment.” The standard simplifies the subsequent measurement of goodwill by removing the requirement to perform a hypothetical purchase price allocation to compute the implied fair value of goodwill to measure impairment. Instead, any goodwill impairment will equal the amount by which a reporting unit’s carrying value exceeds its fair value, not to exceed the carrying amount of goodwill. Further, the guidance eliminates the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform Step 2 of the goodwill impairment test. This standard is effective for annual or any interim goodwill impairment test in fiscal years beginning after December 15, 2019, with early adoption permitted for impairment tests performed after January 1, 2017. While we continue to assess the potential impact of this standard, we do not expect the adoption of this standard to have a material impact on our consolidated financial statements.

There have been no other new accounting pronouncements issued but not yet adopted that are expected to materially affect our consolidated financial condition or results of operations.

## **Special Note Regarding Forward-Looking Statements**

This Quarterly Report contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. We base these forward-looking statements on our expectations, estimates, forecasts, and projections about future events and about the industry in which we operate. Forward-looking statements are identified by words such as “believe,” “anticipate,” “expect,” “intend,” “plan,” “will,” “should,” “would,” “project,” “may,” variations of such words, and other similar expressions. In addition, any statements that refer to projections of financial items, anticipated growth, future growth and revenues, future economic conditions and performance, plans, objectives and strategies for future operations, expectations, or other characterizations of future events or circumstances are forward-looking statements. All forward-looking statements involve risks and uncertainties. Our actual results could differ materially from those discussed in, or implied by, these forward-looking statements. Factors that could cause actual results to differ materially from those implied by the forward-looking statements in this Quarterly Report are set forth in our 2016 Annual Report and include but are not limited to:

- the effects of economic downturns or slow recoveries, which could result in less demand for our services and pricing pressures;
- the negative effects that intermediary organizations may have on our ability to secure new and profitable contracts with our clients;

- the level of consolidation and concentration of buyers of healthcare workforce solutions and staffing services, which could affect the pricing of our services and our ability to mitigate concentration risk;
- any inability on our part to anticipate and quickly respond to changing marketplace conditions, such as alternative modes of healthcare delivery, reimbursement, or client needs;
- the ability of our clients to retain and increase the productivity of their permanent staff, or their ability to increase the efficiency and effectiveness of their internal recruiting efforts, through online recruiting or otherwise, which may negatively affect our revenue, results of operations, and cash flows;
- the uncertainty regarding a repeal of the Patient Protection and Affordable Care Act without a corresponding replacement, or such a repeal with a corresponding replacement that significantly reduces the number of individuals who maintain health insurance, which may negatively affect the demand for our services;
- any inability on our part to grow and operate our business profitably in compliance with federal and state healthcare industry regulation, including conduct of operations, costs and payment for services and payment for referrals as well as laws regarding employment practices and government contracting;
- any challenge to the classification of certain of our healthcare professionals as independent contractors, which could adversely affect our profitability;
- the effect of investigations, claims, and legal proceedings alleging medical malpractice, violation of employment and wage regulations and other legal theories of liability asserted against us, which could subject us to substantial liabilities;
- security breaches and other disruptions that could compromise our information and expose us to liability, which could cause our business and reputation to suffer and could subject us to substantial liabilities;
- any inability on our part to implement new infrastructure and technology systems effectively or technology disruptions, either of which may adversely affect our operating results and our ability to manage our business effectively;
- disruption to or failures of our SaaS-based technology within certain of our service offerings or our inability to adequately protect our intellectual property rights with respect to such technology, which could reduce client satisfaction, harm our reputation, and negatively affect our business;
- our dependence on third parties for the execution of certain critical functions;
- cybersecurity risks and cyber incidents, which could adversely affect our business or disrupt our operations;
- any inability on our part to recruit and retain sufficient quality healthcare professionals at reasonable costs;
- any inability on our part to properly screen and match quality healthcare professionals with suitable placements;
- any inability on our part to successfully attract, develop and retain a sufficient number of quality sales and operations personnel;
- the loss of our key officers and management personnel, which could adversely affect our business and operating results;
- any inability on our part to maintain our positive brand awareness and identity;
- any inability on our part to consummate and effectively incorporate acquisitions into our business operations;
- any recognition by us of an impairment to goodwill or indefinite-lived intangibles;
- the effect of significant adverse adjustments by us to our insurance-related accruals, which could decrease our earnings or increase our losses, as the case may be;
- our significant indebtedness and any inability on our part to generate sufficient cash flow to service our debt; and
- the terms of our debt instruments that impose restrictions on us that may affect our ability to successfully operate our business.

### ***Item 3. Quantitative and Qualitative Disclosures about Market Risk***

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, foreign currency exchange rates, and commodity prices. During the three months ended March 31, 2017, our primary exposure to market risk was interest rate risk associated with our variable interest debt instruments. In April 2015, we entered into an interest rate swap agreement to minimize our exposure to interest rate fluctuations on \$100 million of our outstanding variable rate debt under one of our term loans for which we pay a fixed rate of 0.983% per annum and receive a variable rate equal to floating one-month LIBOR. In connection with the issuance and sale of the Notes and repayment of a portion of the Term Loans, we reduced the interest rate swap notional amount to \$40 million in the fourth quarter of 2016. This agreement expires on March 30, 2018, and no initial investment was made to enter into it. A 100 basis point increase in interest rates on our variable rate debt would not have resulted in a material effect on our unaudited condensed consolidated financial statements for the three months ended March 31, 2017. During the three months ended March 31, 2017, we generated all of our revenue in the United States. Accordingly, we believe that our foreign currency risk is immaterial.



#### **Item 4. *Controls and Procedures***

We carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures as of March 31, 2017 were effective to ensure that information required to be disclosed by us in reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

There were no changes in our internal control over financial reporting that occurred during the quarter ended March 31, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **PART II - OTHER INFORMATION**

### **Item 1. *Legal Proceedings***

None.

### **Item 1A. *Risk Factors***

We do not believe that there have been any material changes to the risk factors disclosed in Part I, Item 1A of our 2016 Annual Report.

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

None.

### **Item 3. *Defaults Upon Senior Securities***

None.

### **Item 4. *Mine Safety Disclosures***

Not applicable.

### **Item 5. *Other Information***

None.

## Item 6. Exhibits

<b>Exhibit Number</b>	<b>Description</b>
10.1	Form of AMN Healthcare Equity Plan Performance Restricted Stock Unit Agreement—Officer (TSR) (Management Contract or Compensatory Plan or Arrangement).*
10.2	Form of AMN Healthcare Equity Plan Performance Restricted Stock Unit Agreement—Officer (Adjusted EBITDA Margin) (Management Contract or Compensatory Plan or Arrangement).*
10.3	Form of AMN Healthcare Equity Plan Restricted Stock Unit Agreement—Officer (Management Contract or Compensatory Plan or Arrangement).*
10.4	Form of AMN Healthcare Equity Plan Restricted Stock Unit Agreement—Director (Management Contract or Compensatory Plan or Arrangement).*
10.5	Form of AMN Healthcare Equity Plan Restricted Stock Unit Agreement—Director (One Year Vesting with Deferral) (Management Contract or Compensatory Plan or Arrangement).*
31.1	Certification by Susan R. Salka pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.*
31.2	Certification by Brian M. Scott pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.*
32.1	Certification by Susan R. Salka pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
32.2	Certification by Brian M. Scott pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.*
101.INS	XBRL Instance Document.*
101.SCH	XBRL Taxonomy Extension Schema Document.*
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.*
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.*
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.*
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.*

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\* Filed herewith.

## SIGNATURES

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

Date: May 5, 2017

**AMN HEALTHCARE SERVICES, INC.**

/ s / S U S A N R. S A L K A

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**Susan R. Salka**  
**President and Chief Executive Officer**  
**(Principal Executive Officer)**

Date: May 5, 2017

/ s / B R I A N M. S C O T T

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**Brian M. Scott**  
**Chief Accounting Officer,**  
**Chief Financial Officer and Treasurer**  
**(Principal Accounting and Financial Officer)**

**AMN HEALTHCARE  
EQUITY PLAN  
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT  
(TOTAL SHAREHOLDER RETURN)**

THIS PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT (the “Agreement”), made this \_\_\_\_\_, 2017 by and between AMN Healthcare Services, Inc. (the “Company”), a Delaware corporation, and \_\_\_\_\_ (the “Grantee”).

**WITNESSETH:**

WHEREAS, the Company sponsors the AMN Healthcare Equity Plan, as Amended and Restated (as may be amended from time to time, the “Plan”), and desires to afford the Grantee the opportunity to share in the appreciation of the Company’s common stock, par value \$.01 per share (“Stock”), thereunder, thereby strengthening the Grantee’s commitment to the welfare of the Company and Affiliates and promoting an identity of interest between stockholders and the Grantee.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto hereby agree as follows:

**1. Definitions.**

The following definitions shall be applicable throughout the Agreement. Where capitalized terms are used but not defined herein, their meaning shall be that set forth in the Plan (unless the context indicates otherwise).

(a) “Accelerated End Date” means the date that is five calendar days (or such shorter period as may be established by the Committee in its sole discretion) prior to a Change in Control.

(b) “Accumulated Shares” means, for a given day, and for a given Peer Company or the Company, the sum of (i) one share of common stock of the applicable company (as included on the Russell 2000), plus (ii) a cumulative number of shares of common stock purchased with dividends declared on the common stock, assuming same day reinvestment of the dividends into shares of common stock at the closing price on the ex-dividend date, for ex-dividend dates during the Opening Average Period or for the period between January 1, 2017 and the last day of the Closing Average Period, as the case may be.

(c) “Affiliate” means (i) any entity that directly or indirectly is controlled by, or is under common control with, the Company and (ii) any entity in which the Company has a significant equity interest, in either case, as determined by the Committee.

(d) “Change in Control” means:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of a majority of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors;

(ii) the sale of all or substantially all of the business or assets of the Company; or

(iii) the consummation of a merger, consolidation or similar form of corporate transaction involving the Company that requires the approval of the Company’s stockholders, whether for such transaction or the issuance of securities in the transaction (a “Business Combination”), if immediately following such Business Combination: (x) a Person is or becomes the beneficial owner, directly or indirectly, of a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), or (y) the Company’s stockholders prior to the Business Combination thereafter cease to beneficially own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), counting for this purpose only voting securities of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) received by such stockholders in connection with the Business Combination. “Surviving Corporation” shall mean the corporation resulting from a Business Combination, and “Parent Corporation” shall mean the ultimate parent corporation that directly or indirectly has beneficial ownership of a majority of the combined voting power of the then outstanding voting securities of the Surviving Corporation entitled to vote generally in the election of directors.

(e) “Closing Average Period” means (i) in the absence of a Change in Control, the ninety (90)-day period ending on the last day of the Performance Period; or (ii) in the case of a Change in Control, the ninety (90)-day period ending on the Accelerated End Date.

(f) “Closing Average Share Value” means, for each of the Peer Companies and the Company, the average, over the days in the Closing Average Period, of the closing price of its common stock multiplied by the Accumulated Shares for each day during the Closing Average Period.

(g) “Disabled” has the meaning set forth in Section 13(c)(ii) of the Plan.

(h) “Grant Date” means \_\_\_\_\_, 2017, which is the date the Committee authorized this PRSU grant.

(i) “NQDC Plan” means the Company’s 2005 Amended and Restated Executive Nonqualified Excess Plan, as may be amended from time to time.

(j) “Opening Average Period” means the ninety (90)-day period ended on December 31, 2016.

(k) “Opening Average Share Value” means, for each of the Peer Companies and the Company, the average during the Opening Average Period of the closing price of its common stock multiplied by the Accumulated Shares for each trading day during the Opening Average Period.

(l) “Peer Companies” means the companies included in the Russell 2000 on December 31, 2016. In the event of a merger, acquisition or business combination transaction of a Peer Company with or by another Peer Company, the surviving entity shall remain a Peer Company. In the event of a merger of a Peer Company with an entity that is not a Peer Company, or the acquisition or business combination transaction by or with a Peer Company, or with an entity that is not a Peer Company, in each case, where the Peer Company is the surviving entity and remains publicly traded, the surviving entity shall remain a Peer Company. In the event of a merger or acquisition or business combination transaction of a Peer Company by or with an entity that is not a Peer Company, a “going private” transaction involving a Peer Company or the liquidation of a Peer Company, where the Peer Company is not the surviving entity or is otherwise no longer publicly traded, the company shall no longer be a Peer Company. In the event of a bankruptcy of a Peer Company, such company shall remain a Peer Company.

(m) “Performance Period” means January 1, 2017 through the earlier of (i) the Accelerated End Date and (ii) December 31, 2019.

(n) “Performance Restricted Stock Unit(s)” or “PRSU(s)” means the performance restricted stock units granted under Section 2.

(o) “Relative Total Shareholder Return” or “Relative TSR” means the Company’s TSR relative to the TSR of the Peer Companies. Following the calculation of the TSR of the Company and each Peer Company for the Performance Period, the Company and each Peer Company will be ranked in order of maximum to minimum according to their respective TSR for the Performance Period. After this ranking, the percentile performance of the Company relative to the Peer Companies will be determined as follows:

$$P = 1 - \frac{R - 1}{N - 1}$$

where: “P” represents the percentile performance, which will be rounded, if necessary, to the nearest whole percentile by application of standard scientific rounding conventions.

“N” represents the number of Peer Companies, plus one (i.e., the Company).

“R” represents the Company’s ranking versus the Peer Companies.

**Example:** If there are 1000 Peer Companies, and the Company ranked 501st out of 1001 (i.e., 1000 Peer Companies, plus the Company), the performance would be at the 50th percentile:  $.50 = 1 - ((501-1)/(1001-1))$ .

(p) “Service” means the performance of services for the Company (or any Affiliate) by a person in the capacity of an officer or other employee or key person (including consultants).

(q) “Total Shareholder Return” or “TSR” means for each of the Company and the Peer Companies, the company’s total shareholder return, which will be calculated by dividing (i) the Closing Average Share Value by (ii) the Opening Average Share Value, and then subtracting one (1).

(r) “Vesting Date” means the date on which the Committee determines the TSR and Relative TSR.

**2. Grant of Performance Restricted Stock Units.** Subject to the terms and conditions set forth herein, the Company hereby grants to the Grantee \_\_\_\_\_ PRSUs, which shall be the target number. The actual number of PRSUs that can vest may be more or less than the target number, as determined in accordance with the table (the “Vesting Table”) set forth on Schedule I.

**3. Vesting Schedule.** No PRSUs may be settled until they have vested, which shall occur, if at all, on the Vesting Date. Except as otherwise set forth in this Agreement or in the Plan, the number of PRSU’s that shall vest on the Vesting Date will be determined in accordance with the Vesting Table, based on the Company’s achievement of Total Shareholder Return and Relative Total Shareholder Return for the Performance Period. Any fractional share resulting from the application of the percentages in the Vesting Table shall be rounded to the nearest whole number of shares. The Committee shall determine the Total Shareholder Return and Relative TSR, if any, within 30 days after the earlier of the (i) Accelerated End Date and (ii) the Performance Period. On the Vesting Date, all PRSUs that do not vest shall be automatically cancelled and the right to receive any PRSUs that do not vest hereunder shall automatically expire.

**4. Settlement and Deferral of PRSUs.**

(a) Each vested PRSU entitles the Grantee to receive one share of Stock on the “Settlement Date,” which shall be the later of (i) the Vesting Date, and (ii) the end of the deferral period specified by the Grantee. The deferral period shall be no less than four (4) years and five (5) days from the Grant Date. Such deferral election shall be made within 30 days of the Grant Date. Any deferral of the PRSUs shall be subject to the NQDC Plan and the applicable deferral election form.

(b) Shares of Stock underlying the PRSUs shall be issued and delivered to the Grantee in accordance with paragraph (a) and upon compliance to the satisfaction of the Committee with all requirements under applicable laws or regulations in connection with such issuance and with the requirements hereof and of the Plan. The determination of the Committee as to such compliance shall be final and binding on the Grantee. The shares of Stock delivered to the Grantee pursuant to this Section 4 shall be free and clear of all liens, fully paid and non-assessable. In no event shall fractional shares of Stock be issued.



(c) Until such time as shares of Stock have been issued to the Grantee pursuant to paragraph (b) above, and except as set forth in Section 5 below regarding dividend equivalents, the Grantee shall not have any rights as a holder of the shares of Stock underlying this Grant including but not limited to voting rights.

(d) The Grantee may be required to pay to the Company or any Affiliate, and the Company or any Affiliate shall have the right and is hereby authorized to withhold from any shares of Stock or other property deliverable under the PRSU or from any compensation or other amounts owing to the Grantee the amount (in cash, Stock or other property) of any required tax withholding and payroll taxes in respect of a PRSU vesting or settlement and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

(e) Without limiting the generality of clause (d) above, in the Committee's sole discretion the Grantee may satisfy, in whole or in part, the foregoing withholding liability by having the Company withhold from the number of shares of Stock otherwise issuable pursuant to the settlement of the PRSU a number of shares with a Fair Market Value equal to such withholding liability.

**5. Dividend Equivalents.** If on any date the Company shall pay any cash dividend on shares of Stock of the Company, the number of PRSUs credited to the Grantee pursuant to the Vesting Table shall, as of such date, be increased by an amount determined by the following formula:

W = (X multiplied by Y) divided by Z, where:

W = the number of additional PRSUs to be credited to the Grantee on such dividend payment date;

X = the aggregate number of PRSUs (whether vested or unvested) credited to the Grantee as of the record date of the dividend;

Y = the cash dividend per share amount; and

Z = the Fair Market Value per share of Stock (as determined under the Plan) on the dividend payment date.

For the avoidance of doubt, no dividend equivalents shall be credited to PRSUs prior to the Committee determining the Total Shareholder Return and Relative TSR (and thus the actual number of PRSUs subject to vesting).

**6. Termination of Employment.**

(a) If, prior to the Settlement Date, the Grantee shall undergo (other than by reason of death or becoming Disabled) a termination of full-time employment ( and also termination of Service if a director), all unvested PRSUs at the date of such termination shall be cancelled on such date.

(b) On the date of the Grantee's death or upon determination by the Committee in its sole discretion that the Grantee has become Disabled (in each case, if after the Grant Date and prior to the Vesting Date), 100% of the Target Number of PRSUs shall become immediately vested and, regardless of the Grantee's deferral election, the Company as soon as reasonably practicable shall issue shares of Stock to the Grantee (or the Grantee's designated beneficiary or estate executor in the event of the Grantee's death) with respect to the Target Number of PRSUs. In the event the Grantee dies or becomes Disabled (as determined by the Committee in its sole discretion) on or after the Vesting Date and prior to (or on) the Settlement Date, the Grantee shall be entitled to receive shares of Stock underlying all vested PRSUs and the Company as soon as reasonably practicable shall issue the applicable number of shares of Stock to the Grantee (or the Grantee's designated beneficiary or estate executor in the event of the Grantee's death).

**7. Company; Grantee.**

(a) The term "Company" as used in this Agreement with reference to employment shall include the Company, its Subsidiaries and its Affiliates, as appropriate.

(b) Whenever the word "Grantee" is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the beneficiaries, the executors, the administrators, or the person or persons to whom the PRSUs may be transferred by will or by the laws of descent and distribution, the word "Grantee" shall be deemed to include such person or persons.

**8. Non-Transferability.** The PRSUs granted herein are not transferable by the Grantee other than to a designated beneficiary upon death, by will or the laws of descent and distribution, to a trust solely for the benefit of the Grantee or his/her immediate family or, in the case of the PRSUs being held by such a trust, by the trustee.

**9. Forfeiture for Violation of Restrictive Covenants.**

(a) Non-Compete. The Grantee agrees that during the term of the Grantee's employment and for a period of two years thereafter (the "Coverage Period") the Grantee will not engage in, consult with, participate in, hold a position as shareholder, director, officer, consultant, employee, partner or investor, or otherwise assist any business entity (i) in any State of the United States of America or (ii) in any other country in which the Company (which, for the avoidance of doubt, includes for all purposes of this Section 9 any and all of its divisions, Affiliates or Subsidiaries) has business activities, in either case, that is engaged in (A) any activities that are competitive with the business of providing (I) healthcare or other personnel on a temporary or permanent placement basis to hospitals, healthcare facilities, healthcare provider practice groups or other entities, or (II) clinical workforce management services, or (B) any other business in which the Company is then engaged, in each case, including any and all business activities reasonably related thereto.

(b) Non-Solicit. The Grantee agrees that during the Coverage Period, the Grantee shall not solicit, attempt to solicit or endeavor to entice away from the Company any person who, at any time during the term of the Grantee's employment was a healthcare professional (including a healthcare executive) of the Company, or an employee, customer, permanent placement candidate, client or supplier of the Company.

(c) Confidential and Proprietary Information. The Grantee agrees that the Grantee will not, at any time make use of or divulge to any other person, firm or corporation any confidential or proprietary information concerning the business or policies of the Company (which includes, for the avoidance of doubt, any and all of its divisions, Affiliates or Subsidiaries). For purposes of this Agreement, any confidential information shall constitute any information designated as confidential or proprietary by the Company or otherwise known by the Grantee to be confidential or proprietary information including, without limitation, customer information. The Grantee acknowledges and agrees that for purposes of this Agreement, "customer information" includes without limitation, customer lists, all lists of professional personnel, names, addresses, phone numbers, contact persons, preferences, pricing arrangements, requirements and practices. The Grantee's obligation under this Section 9(c) shall not apply to any information that (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of the Grantee; or (iii) is hereafter disclosed to the Grantee by a third party not under an obligation of confidence to the Company. The Grantee agrees not to remove from the premises of the Company, except as an employee of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Company, any document or other object containing or reflecting any such confidential or proprietary information. The Grantee recognizes that all such information, whether developed by the Grantee or by someone else, will be the sole exclusive property of the Company. Upon termination of employment, the Grantee shall forthwith deliver to the Company all such confidential or proprietary information, including without limitation all lists of customers, pricing methods, financial structures, correspondence, accounts, records and any other documents, computer disks, computer programs, software, laptops, modems or property made or held by the Grantee or under the Grantee's control in relation to the business or affairs of the Company, and no copy of any such confidential or proprietary information shall be retained by the Grantee.

(d) Forfeiture for Violations. If the Grantee shall at any time violate the provisions of Section 9(a), (b), or (c), the Grantee shall immediately forfeit his/her PRSUs (whether vested or unvested) and any issuance of shares of Stock that occurs after (or within six (6) months before) any such violation shall be void *ab initio* .

(e) Additional Agreement. For the avoidance of doubt, this Section 9 shall be in addition to and shall not supersede (or be superseded by) any other agreements related to the subject matter of this Section 9 contained in any confidentiality agreement, noncompetition agreement or any other agreement between the Grantee and the Company.

**10. Rights as Stockholder**. The Grantee or a transferee of the PRSUs shall have no rights as a stockholder with respect to any share of Stock covered by the PRSUs until the Grantee shall have become the holder of record of such share of Stock and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Stock for which the record date is prior to the date upon which Grantee shall become the holder of record thereof.

**11. Effect of Change in Control**.

(a) In the event of a Change in Control, the PRSUs shall vest in accordance with Section 3. Unless such PRSUs are deferred under the NQDC Plan (in such event, the NQDC Plan shall govern), the Company shall issue shares of Stock (or cash if shares of Stock are no longer available) to the Grantee to settle the vested PRSUs as soon as reasonably practicable, but in no event later than the end of the short-term deferral period as defined under Section 409A.

(b) The obligations of the Company under this Agreement shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of the Grantee's rights under this Agreement in any agreement or plan that it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

**12. Notice**. Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices or communications by the Grantee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices or communications by the Company to the Grantee may be given to the Grantee personally or may be mailed to the Grantee at the Grantee's address as recorded in the records of the Company.

**13. No Right to Continued Employment**. This Agreement shall not be construed as giving the Grantee the right to be retained in the employ or service of the Company, a Subsidiary or an Affiliate. Further, the Company or an Affiliate may at any time dismiss the Grantee or discontinue any consulting relationship, free from any liability or any claim under this Agreement, except as otherwise expressly provided herein.

**14. Binding Effect**. Subject to Section 8 hereof, this Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

15. **Amendment of Agreement** . The Committee may, to the extent consistent with the terms of this Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any portion of the PRSUs heretofore granted, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would adversely impair the rights of the Grantee in respect of any PRSUs already granted shall not to that extent be effective without the consent of the Grantee.

16. **PRSUs Subject to Plan and NQDC Plan** . By entering into this Agreement, the Grantee agrees and acknowledges that the Grantee has received and read a copy of the Plan and a copy of the NQDC Plan. The PRSUs are subject to the terms of Plan, and the NQDC Plan if the PRSUs are deferred under the NQDC Plan. The terms and provisions of the plans as they may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of either the Plan or the NQDC Plan, the applicable terms and provisions of the applicable plan will govern and prevail.

17. **Governing Law** . This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware without regard to the principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the State of Delaware.

**IN WITNESS WHEREOF** , the parties hereto have executed this Agreement as of the day and year first above written.

**AMN HEALTHCARE SERVICES, INC.**

By: \_\_\_\_\_  
Name: Susan R. Salka  
Title: President and CEO

**GRANTEE**

By: \_\_\_\_\_  
Name:

**SCHEDULE I**  
**VESTING TABLE**

**AMN HEALTHCARE  
EQUITY PLAN  
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT  
(ADJUSTED EBITDA MARGIN)**

THIS PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT (the “Agreement”), made this \_\_\_\_\_, 2017, by and between AMN Healthcare Services, Inc. (the “Company”), a Delaware corporation, and \_\_\_\_\_ (the “Grantee”).

WITNESSETH:

WHEREAS, the Company sponsors the AMN Healthcare Equity Plan, as Amended and Restated (as may be amended from time to time, the “Plan”), and desires to afford the Grantee the opportunity to share in the appreciation of the Company’s common stock, par value \$.01 per share (“Stock”), thereunder, thereby strengthening the Grantee’s commitment to the welfare of the Company and Affiliates and promoting an identity of interest between stockholders and the Grantee.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto hereby agree as follows:

**1. Definitions.**

The following definitions shall be applicable throughout the Agreement. Where capitalized terms are used but not defined herein, their meaning shall be that set forth in the Plan (unless the context indicates otherwise).

(a) “Adjusted EBITDA” means for the Company and its wholly owned Subsidiaries on a consolidated basis, net income (loss) plus interest expense (net of interest income), income taxes, depreciation and amortization, acquisition related costs, stock-based compensation expense and net income (loss) from discontinued operations, net of tax. The Company’s Adjusted EBITDA may be adjusted at the Committee’s discretion to exclude the impact of extraordinary items that are included in the Company’s adjusted earnings per share reconciliation table that is part of the Company’s earnings release or changes in GAAP treatment of revenue/expenses.

(b) “Adjusted EBITDA Margin” means for the Company and its wholly owned Subsidiaries on a consolidated basis, Adjusted EBITDA divided by gross revenue, expressed as a percentage.

(c) “Affiliate” means (i) any entity that directly or indirectly is controlled by, or is under common control with, the Company and (ii) any entity in which the Company has a significant equity interest, in either case, as determined by the Committee.

(d) “Change in Control” means:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3

promulgated under the Exchange Act) of a majority of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors;

(ii) the sale of all or substantially all of the business or assets of the Company; or

(iii) the consummation of a merger, consolidation or similar form of corporate transaction involving the Company that requires the approval of the Company's stockholders, whether for such transaction or the issuance of securities in the transaction (a "Business Combination"), if immediately following such Business Combination: (x) a Person is or becomes the beneficial owner, directly or indirectly, of a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), or (y) the Company's stockholders prior to the Business Combination thereafter cease to beneficially own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), counting for this purpose only voting securities of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) received by such stockholders in connection with the Business Combination. "Surviving Corporation" shall mean the corporation resulting from a Business Combination, and "Parent Corporation" shall mean the ultimate parent corporation that directly or indirectly has beneficial ownership of a majority of the combined voting power of the then outstanding voting securities of the Surviving Corporation entitled to vote generally in the election of directors.

(e) "Credited Service" means the performance of Service on a substantially full time basis for a continuous twelve-month period. For this purpose, substantially full time basis shall mean that the employee or consultant provides regular and recurring services to the Company of at least 32 hours each week. The taking of approved paid time off or legally mandated leave, such as FMLA, does not interrupt this period of Credited Service.

(f) "Disabled" has the meaning set forth in Section 13(c)(ii) of the Plan.

(g) "Grant Date" means \_\_\_\_\_, 2017, which is the date the Committee authorized this PRSU grant.

(h) "NQDC Plan" means the Company's 2005 Amended and Restated Executive Nonqualified Excess Plan, as may be amended from time to time.

(i) "Performance Period" means January 1, 2019 through December 31, 2019.

(j) "Performance Restricted Stock Unit(s)" or "PRSU(s)" means the performance restricted stock units granted under Section 2.

(k) "Service" means the performance of services for the Company (or any Affiliate) by a person in the capacity of an officer or other employee or key person (including consultants).

(l) "Vesting Date" means the date on which the Grantee has performed three full periods of Credited Service the first period of which shall commence on the date hereof; provided,



however, that in the event of a Change in Control, the Vesting Date shall be determined as set forth in Section 11(a) below.

**2. Grant of Performance Restricted Stock Units.** Subject to the terms and conditions set forth herein, the Company hereby grants to the Grantee \_\_\_\_\_ (the “Target Number”) PRSUs. The Committee will determine the number of PRSUs at the end of the Performance Period (“Actual PRSUs”) in accordance with the Adjusted EBITDA Margin Table attached hereto as Schedule I (the “Adjusted EBITDA Margin Table”), which Actual PRSUs will be subject to additional time-based vesting. The number of Actual PRSUs may be greater or fewer than the Target Number.

**3. Vesting Schedule.** Except as otherwise set forth in this Agreement or in the Plan, the Actual PRSUs (as determined in accordance with the Adjusted EBITDA Margin Table) shall vest on the Vesting Date. All PRSUs that do not become Actual PRSUs shall be cancelled and be null and void on the date the Committee calculates the Adjusted EBITDA Margin for the Performance Period, which shall occur within sixty (60) days of the end of the Performance Period (the “Calculation Date”).

**4. Settlement and Deferral of PRSUs.**

(a) Each vested Actual PRSU entitles the Grantee to receive one share of Stock on the “Settlement Date,” which shall be the later of (i) the Vesting Date (or the Calculation Date, if later than the Vesting Date), and (ii) the end of the deferral period specified by the Grantee. The deferral period shall be no less than four (4) years and five (5) days from the Grant Date. Such deferral election shall be made within 30 days of the Grant Date. Any deferral of the PRSUs shall be subject to the NQDC Plan and the applicable deferral election form.

(b) Shares of Stock underlying the vested Actual PRSUs shall be issued and delivered to the Grantee in accordance with paragraph (a) and upon compliance to the satisfaction of the Committee with all requirements under applicable laws or regulations in connection with such issuance and with the requirements hereof and of the Plan. The determination of the Committee as to such compliance shall be final and binding on the Grantee. The shares of Stock delivered to the Grantee pursuant to this Section 4 shall be free and clear of all liens, fully paid and non-assessable. In no event shall fractional shares of Stock be issued.

(c) Until such time as shares of Stock have been issued to the Grantee pursuant to paragraph (b) above, and except as set forth in Section 5 below regarding dividend equivalents, the Grantee shall not have any rights as a holder of the shares of Stock underlying this Grant including but not limited to voting rights.

(d) The Grantee may be required to pay to the Company or any Affiliate, and the Company or any Affiliate shall have the right and is hereby authorized to withhold from any shares of Stock or other property deliverable in respect of a vested Actual PRSU or from any compensation or other amounts owing to the Grantee the amount (in cash, Stock or other property) of any required tax withholding and payroll taxes in respect of such Actual PRSUs vesting or settlement and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

(e) Without limiting the generality of clause (d) above, in the Committee's sole discretion the Grantee may satisfy, in whole or in part, the foregoing withholding liability by having the Company withhold from the number of shares of Stock otherwise issuable pursuant to the settlement of vested Actual PRSUs a number of shares with a Fair Market Value equal to such withholding liability.

**5. Dividend Equivalents.** If on any date the Company shall pay any cash dividend on shares of Stock of the Company, the number of Actual PRSUs credited to the Grantee pursuant to the Adjusted EBITDA Margin Table shall, as of such date (or as of the Calculation Date if such dividend occurs before the Calculation Date), be increased by an amount determined by the following formula:

W = (X multiplied by Y) divided by Z, where:

W = the number of additional PRSUs to be credited to the Grantee on such dividend payment date;

X = the aggregate number of PRSUs (whether vested or unvested) credited to the Grantee as of the record date of the dividend (or the Calculation Date, as applicable);

Y = the cash dividend per share amount; and

Z = the Fair Market Value per share of Stock (as determined under the Plan) on the dividend payment date.

For the avoidance of doubt, no dividend equivalents shall be credited to PRSUs prior to the determination of the number of Actual PRSUs.

**6. Termination of Employment.**

(a) If, prior to the Settlement Date, the Grantee shall undergo (other than by reason of death or becoming Disabled) a termination of full-time employment if an employee ( and also termination of Service if a director), all unvested PRSUs (or all unvested Actual PRSU's, as applicable) at the date of such termination shall be cancelled on such date.

(b) On the date of the Grantee's death or upon determination by the Committee in its sole discretion that the Grantee has become Disabled (in each case, if after the Grant Date and prior to the Vesting Date), 100% of the Target Number of PRSUs shall become immediately vested and, regardless of the Grantee's deferral election, the Company as soon as reasonably practicable shall issue shares of Stock to the Grantee (or the Grantee's designated beneficiary or estate executor in the event of the Grantee's death) with respect to the Target Number of PRSUs. In the event the Grantee dies or becomes Disabled (as determined by the Committee in its sole discretion) on or after the Vesting Date and prior to (or on) the Settlement Date, the Grantee shall be entitled to receive shares of Stock underlying all vested Actual PRSUs and the Company as soon as reasonably practicable shall issue the applicable number of shares of Stock to the Grantee (or the Grantee's designated beneficiary or estate executor in the event of the Grantee's death).

**7. Company; Grantee.**

(a) The term “Company” as used in this Agreement with reference to employment shall include the Company, its Subsidiaries and its Affiliates, as appropriate.

(b) Whenever the word “Grantee” is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the beneficiaries, the executors, the administrators, or the person or persons to whom the PRSUs may be transferred by will or by the laws of descent and distribution, the word “Grantee” shall be deemed to include such person or persons.

**8. Non-Transferability.** The PRSUs granted herein are not transferable by the Grantee other than to a designated beneficiary upon death, by will or the laws of descent and distribution, to a trust solely for the benefit of the Grantee or his/her immediate family or, in the case of the PRSUs being held by such a trust, by the trustee.

**9. Forfeiture for Violation of Restrictive Covenants.**

(a) Non-Compete. The Grantee agrees that during the term of the Grantee’s employment and for a period of two years thereafter (the “Coverage Period”) the Grantee will not engage in, consult with, participate in, hold a position as shareholder, director, officer, consultant, employee, partner or investor, or otherwise assist any business entity (i) in any State of the United States of America or (ii) in any other country in which the Company (which, for the avoidance of doubt, includes for all purposes of this Section 9 any and all of its divisions, Affiliates or Subsidiaries) has business activities, in either case, that is engaged in (A) any activities that are competitive with the business of providing (I) healthcare or other personnel on a temporary or permanent placement basis to hospitals, healthcare facilities, healthcare provider practice groups or other entities, or (II) clinical workforce management services, or (B) any other business in which the Company is then engaged, in each case, including any and all business activities reasonably related thereto.

(b) Non-Solicit. The Grantee agrees that during the Coverage Period, the Grantee shall not solicit, attempt to solicit or endeavor to entice away from the Company any person who, at any time during the term of the Grantee’s employment was a healthcare professional (including a healthcare executive) of the Company, or an employee, customer, permanent placement candidate, client or supplier of the Company.

(c) Confidential and Proprietary Information. The Grantee agrees that the Grantee will not, at any time make use of or divulge to any other person, firm or corporation any confidential or proprietary information concerning the business or policies of the Company (which includes, for the avoidance of doubt, any and all of its divisions, Affiliates or Subsidiaries). For purposes of this Agreement, any confidential information shall constitute any information designated as confidential or proprietary by the Company or otherwise known by the Grantee to be confidential or proprietary information including, without limitation, customer information. The Grantee acknowledges and agrees that for purposes of this Agreement, “customer information” includes

without limitation, customer lists, all lists of professional personnel, names, addresses, phone numbers, contact persons, preferences, pricing arrangements, requirements and practices. The Grantee's obligation under this Section 9(c) shall not apply to any information that (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of the Grantee; or (iii) is hereafter disclosed to the Grantee by a third party not under an obligation of confidence to the Company. The Grantee agrees not to remove from the premises of the Company, except as an employee of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Company, any document or other object containing or reflecting any such confidential or proprietary information. The Grantee recognizes that all such information, whether developed by the Grantee or by someone else, will be the sole exclusive property of the Company. Upon termination of employment, the Grantee shall forthwith deliver to the Company all such confidential or proprietary information, including without limitation all lists of customers, pricing methods, financial structures, correspondence, accounts, records and any other documents, computer disks, computer programs, software, laptops, modems or property made or held by the Grantee or under the Grantee's control in relation to the business or affairs of the Company, and no copy of any such confidential or proprietary information shall be retained by the Grantee.

(d) Forfeiture for Violations. If the Grantee shall at any time violate the provisions of Section 9(a), (b), or (c), the Grantee shall immediately forfeit his/her Actual PRSUs (whether vested or unvested) and any issuance of shares of Stock that occurs after (or within six (6) months before) any such violation shall be void ab initio.

(e) Additional Agreement. For the avoidance of doubt, this Section 9 shall be in addition to and shall not supersede (or be superseded by) any other agreements related to the subject matter of this Section 9 contained in any confidentiality agreement, noncompetition agreement or any other agreement between the Grantee and the Company.

**10. Rights as Stockholder**. The Grantee or a transferee of the Actual PRSUs shall have no rights as a stockholder with respect to any share of Stock covered by the Actual PRSUs until the Grantee shall have become the holder of record of such share of Stock and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Stock for which the record date is prior to the date upon which Grantee shall become the holder of record thereof.

**11. Effect of Change in Control**.

(a) In the event of a Change in Control prior to the end of the Performance Period, the Target Number of PRSUs shall automatically vest upon such Change in Control. In the event of a Change in Control on or after the end of the Performance Period, all Actual PRSUs shall automatically vest upon such Change in Control. Unless such PRSUs are deferred under the NQDC Plan (in such event, the NQDC Plan shall govern), the Company shall issue shares of Stock (or cash if shares of Stock are no longer available) to the Grantee to settle the vested PRSUs as soon as reasonably practicable, but in no event later than the end of the short-term deferral period as defined under Section 409A.

(b) The obligations of the Company under this Agreement shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of the Grantee's rights under this Agreement in any agreement or plan that it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

**12. Notice.** Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices or communications by the Grantee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices or communications by the Company to the Grantee may be given to the Grantee personally or may be mailed to the Grantee at the Grantee's address as recorded in the records of the Company.

**13. No Right to Continued Employment.** This Agreement shall not be construed as giving the Grantee the right to be retained in the employ or service of the Company, a Subsidiary or an Affiliate. Further, the Company or an Affiliate may at any time dismiss the Grantee or discontinue any consulting relationship, free from any liability or any claim under this Agreement, except as otherwise expressly provided herein.

**14. Binding Effect.** Subject to Section 8 hereof, this Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

**15. Amendment of Agreement.** The Committee may, to the extent consistent with the terms of this Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any portion of the PRSUs heretofore granted, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would adversely impair the rights of the Grantee in respect of any PRSUs already granted shall not to that extent be effective without the consent of the Grantee.

**16. PRSUs Subject to Plan and NQDC Plan.** By entering into this Agreement, the Grantee agrees and acknowledges that the Grantee has received and read a copy of the Plan and a copy of the NQDC Plan. The PRSUs are subject to the terms of Plan, and the NQDC Plan if the PRSUs are deferred under the NQDC Plan. The terms and provisions of the plans as they may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of either the Plan or the NQDC Plan, the applicable terms and provisions of the applicable plan will govern and prevail.

**17. Governing Law.** This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware without regard to the principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the State of Delaware.

**IN WITNESS WHEREOF** , the parties hereto have executed this Agreement as of the day and year first above written.

**AMN HEALTHCARE SERVICES, INC.**

**By:** \_\_\_\_\_  
Name: Susan R. Salka  
Title: President and CEO

**GRANTEE**

**By:**  
Name:

**SCHEDULE I**

**Adjusted EBITDA Margin Table**

Actual PRSUs as defined in this Agreement shall be determined by the Committee in accordance with the table below based on the Adjusted EBITDA Margin generated during the Performance Period:

**AMN HEALTHCARE  
EQUITY PLAN  
RESTRICTED STOCK UNIT AGREEMENT**

THIS RESTRICTED STOCK UNIT AGREEMENT (the “Agreement”), made this \_\_\_\_\_, 2017, by and between AMN Healthcare Services, Inc. (the “Company”), a Delaware corporation, and \_\_\_\_\_ (the “Grantee”).

WITNESSETH:

WHEREAS, the Company sponsors the AMN Healthcare Equity Plan, as Amended and Restated (as may be amended from time to time, the “Plan”), and desires to afford the Grantee the opportunity to share in the appreciation of the Company’s common stock, par value \$.01 per share (“Stock”) thereunder, thereby strengthening the Grantee’s commitment to the welfare of the Company and Affiliates and promoting an identity of interest between stockholders and the Grantee.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto hereby agree as follows:

**1. Definitions.**

The following definitions shall be applicable throughout the Agreement. Where capitalized terms are used but not defined herein, their meaning shall be that set forth in the Plan (unless the context indicates otherwise).

(a) “Affiliate” means (i) any entity that directly or indirectly is controlled by, or is under common control with, the Company and (ii) any entity in which the Company has a significant equity interest, in either case, as determined by the Committee.

(b) “Change in Control” means:

(i) the acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of a majority of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors;

(ii) the sale of all or substantially all of the business or assets of the Company; or

(iii) the consummation of a merger, consolidation or similar form of corporate transaction involving the Company that requires the approval of the Company’s stockholders, whether for such transaction or the issuance of securities in the transaction (a “Business Combination”), if immediately following such Business Combination:



(x) a Person is or becomes the beneficial owner, directly or indirectly, of a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), or (y) the Company's stockholders prior to the Business Combination thereafter cease to beneficially own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), counting for this purpose only voting securities of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) received by such stockholders in connection with the Business Combination. "Surviving Corporation" shall mean the corporation resulting from a Business Combination, and "Parent Corporation" shall mean the ultimate parent corporation that directly or indirectly has beneficial ownership of a majority of the combined voting power of the then outstanding voting securities of the Surviving Corporation entitled to vote generally in the election of directors.

(c) "Credited Service" means the performance of Service on a substantially full time basis for a continuous twelve-month period. For this purpose, substantially full time basis shall mean that the employee or consultant provides regular and recurring services to the Company of at least 32 hours each week. The taking of approved paid time off or legally mandated leave, such as FMLA, does not interrupt this period of Credited Service.

(d) "Disabled" has the meaning set forth in Section 13(c)(ii) of the Plan.

(e) "Grant Date" means \_\_\_\_\_, 2017, which is the date the Committee authorized this RSU grant.

(f) "NQDC Plan" means the Company's 2005 Amended and Restated Executive Nonqualified Excess Plan, as may be amended from time to time.

(g) "Restricted Stock Unit(s)" or "RSU(s)" means the restricted stock unit granted under Section 2.

(h) "Service" means the performance of services for the Company (or any Affiliate) by a person in the capacity of an officer or other employee or key person (including consultants).

**2. Grant of Restricted Stock Units.** Subject to the terms and conditions set forth herein, the Company hereby grants to the Grantee an aggregate of \_\_\_\_\_ Restricted Stock Units.

**3. Vesting Schedule.** No RSUs may be settled until they shall have vested. Except as otherwise set forth in this Agreement or in the Plan, the RSUs will vest on and after the third anniversary of the Grant Date and the Grantee's provision of three periods of Credited Service. Notwithstanding the foregoing, in the event each of the annual performance thresholds set forth in Schedule I attached hereto are met, respectively: (A) 33% of the RSUs shall vest on and after the 13<sup>th</sup> month anniversary of the Grant Date and the Grantee's provision of one period

of Credited Service; and (B) 34% of the RSUs shall vest on and after the second anniversary of the Grant Date and the Grantee's provision of a second period of Credited Service.

**4. Settlement and Deferral of RSUs.**

(a) Each vested RSU entitles the Grantee to receive one share of Stock on the "Settlement Date," which shall be the later of (i) the vesting date for such RSU, provided, however, if there is an accelerated vesting of a portion of RSUs under Section 3 hereof, the Settlement Date for any such accelerated RSUs shall be the date on which it is determined that the conditions to acceleration have been met or (ii) the end of the deferral period specified by the Grantee. The deferral period shall be no less than four (4) years and five (5) days from the Grant Date. Such deferral election shall be made within 30 days of the Grant Date. The deferral of RSUs shall be subject to the NQDC Plan and the applicable deferral election.

(b) Shares of Stock underlying the RSUs shall be issued and delivered to the Grantee in accordance with paragraph (a) and upon compliance to the satisfaction of the Committee with all requirements under applicable laws or regulations in connection with such issuance and with the requirements hereof and of the Plan. The determination of the Committee as to such compliance shall be final and binding on the Grantee. The shares of Stock delivered to the Grantee pursuant to this Section 4 shall be free and clear of all liens, fully paid and non-assessable. In no event shall fractional shares of Stock be issued.

(c) Until such time as shares of Stock have been issued to the Grantee pursuant to paragraph (b) above, and except as set forth in Section 5 below regarding dividend equivalents, the Grantee shall not have any rights as a holder of the shares of Stock underlying this Grant including but not limited to voting rights.

(d) The Grantee may be required to pay to the Company or any Affiliate, and the Company or any Affiliate shall have the right and is hereby authorized to withhold from any shares of Stock or other property deliverable under the RSU or from any compensation or other amounts owing to the Grantee the amount (in cash, Stock or other property) of any required tax withholding and payroll taxes in respect of an RSU vesting or settlement and to take such other action as may be necessary in the opinion of the Company to satisfy all obligations for the payment of such taxes.

(e) Without limiting the generality of clause (d) above, in the Committee's sole discretion the Grantee may satisfy, in whole or in part, the foregoing withholding liability by having the Company withhold from the number of shares of Stock otherwise issuable pursuant to the settlement of the RSU a number of shares with a Fair Market Value equal to such withholding liability.

**5. Dividend Equivalents.** If on any date the Company shall pay any cash dividend on shares of Stock of the Company, the number of RSUs credited to the Grantee shall, as of such date, be increased by an amount determined by the following formula:

$W = (X \text{ multiplied by } Y) \text{ divided by } Z$ , where:

W = the number of additional RSUs to be credited to the Grantee on such dividend payment date;

X = the aggregate number of RSUs (whether vested or unvested) credited to the Grantee as of the record date of the dividend;

Y = the cash dividend per share amount; and

Z = the Fair Market Value per share of Stock (as determined under the Plan) on the dividend payment date.

**6. Termination of Employment.**

(a) If, prior to the Settlement Date, the Grantee shall undergo (other than by reason of death or becoming Disabled) a termination of full-time employment ( and also termination of Service if a director), (i) the RSUs that are vested at the time of such termination shall be determined in accordance with Section 3, and (ii) the RSUs that are not vested at the date of such termination shall be cancelled on such date.

(b) On the date of the Grantee's death or upon determination by the Committee in its sole discretion that the Grantee has become Disabled (in each case, after the Grant Date and prior to third anniversary of the Grant Date), 100% of the RSUs shall become immediately vested and, regardless of the Grantee's deferral election, the Company as soon as reasonably practicable shall issue shares of Stock to the Grantee (or the Grantee's designated beneficiary or estate executor in the event of the Grantee's death) with respect to the RSUs that have vested hereunder but for which shares of Stock had not yet been issued to the Grantee.

**7. Company; Grantee.**

(a) The term "Company" as used in this Agreement with reference to employment shall include the Company, its Subsidiaries and its Affiliates, as appropriate.

(b) Whenever the word "Grantee" is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the beneficiaries, the executors, the administrators, or the person or persons to whom the RSUs may be transferred by will or by the laws of descent and distribution, the word "Grantee" shall be deemed to include such person or persons.

**8. Non-Transferability.** The RSUs granted herein are not transferable by the Grantee other than to a designated beneficiary upon death, by will or the laws of descent and distribution, to a trust solely for the benefit of the Grantee or his/her immediate family or, in the case of the RSUs being held by such a trust, by the trustee.

**9. Forfeiture for Violation of Restrictive Covenants.**

(a) Non-Compete. The Grantee agrees that during the term of the Grantee's employment and for a period of two years thereafter (the "Coverage Period") the

Grantee will not engage in, consult with, participate in, hold a position as shareholder, director, officer, consultant, employee, partner or investor, or otherwise assist any business entity (i) in any State of the United States of America or (ii) in any other country in which the Company (which, for the avoidance of doubt, includes for all purposes of this Section 9 any and all of its divisions, Affiliates or Subsidiaries) has business activities, in either case, that is engaged in (A) any activities that are competitive with the business of providing (I) healthcare or other personnel on a temporary or permanent placement basis to hospitals, healthcare facilities, healthcare provider practice groups or other entities, or (II) clinical workforce management services, or (B) any other business in which the Company is then engaged, in each case, including any and all business activities reasonably related thereto.

(b) Non-Solicit. The Grantee agrees that during the Coverage Period, the Grantee shall not solicit, attempt to solicit or endeavor to entice away from the Company any person who, at any time during the term of the Grantee's employment was a healthcare professional (including a healthcare executive) of the Company, or an employee, customer, permanent placement candidate, client or supplier of the Company.

(c) Confidential and Proprietary Information. The Grantee agrees that the Grantee will not, at any time make use of or divulge to any other person, firm or corporation any confidential or proprietary information concerning the business or policies of the Company (which includes, for the avoidance of doubt, any and all of its divisions, Affiliates or Subsidiaries). For purposes of this Agreement, any confidential information shall constitute any information designated as confidential or proprietary by the Company or otherwise known by the Grantee to be confidential or proprietary information including, without limitation, customer information. The Grantee acknowledges and agrees that for purposes of this Agreement, "customer information" includes without limitation, customer lists, all lists of professional personnel, names, addresses, phone numbers, contact persons, preferences, pricing arrangements, requirements and practices. The Grantee's obligation under this Section 9(c) shall not apply to any information that (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of the Grantee; or (iii) is hereafter disclosed to the Grantee by a third party not under an obligation of confidence to the Company. The Grantee agrees not to remove from the premises of the Company, except as an employee of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Company, any document or other object containing or reflecting any such confidential or proprietary information. The Grantee recognizes that all such information, whether developed by the Grantee or by someone else, will be the sole exclusive property of the Company. Upon termination of employment, the Grantee shall forthwith deliver to the Company all such confidential or proprietary information, including without limitation all lists of customers, pricing methods, financial structures, correspondence, accounts, records and any other documents, computer disks, computer programs, software, laptops, modems or property made or held by the Grantee or under the Grantee's control in relation to the business or affairs of the Company, and no copy of any such confidential or proprietary information shall be retained by the Grantee.

(d) Forfeiture for Violations. If the Grantee shall at any time violate the provisions of Section 9(a), (b), or (c), the Grantee shall immediately forfeit his/her RSUs (whether vested or unvested) and any issuance of shares of Stock that occurs after (or within six (6) months before) any such violation shall be void *ab initio* .

(e) Additional Agreement. For the avoidance of doubt, this Section 9 shall be in addition to and shall not supersede (or be superseded by) any other agreements related to the subject matter of this Section 9 contained in any confidentiality agreement, noncompetition agreement or any other agreement between the Grantee and the Company.

**10. Rights as Stockholder**. The Grantee or a transferee of the RSUs shall have no rights as a stockholder with respect to any share of Stock covered by the RSUs until the Grantee shall have become the holder of record of such share of Stock and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Stock for which the record date is prior to the date upon which Grantee shall become the holder of record thereof.

**11. Effect of Change in Control**.

(a) In the event of a Change in Control, notwithstanding any vesting schedule, 100% of the RSUs shall become immediately vested upon such Change in Control. Unless such RSUs are deferred under the NQDC Plan (in such event, the NQDC Plan shall govern), the Company shall issue shares of Stock (or cash if shares of Stock are no longer available) to the Grantee to settle the vested RSUs as soon as reasonably practicable, but in no event later than the end of the short-term deferral period as defined under Section 409A.

(b) The obligations of the Company under this Agreement shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of the Grantee's rights under this Agreement in any agreement or plan that it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

**12. Notice**. Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices or communications by the Grantee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices or communications by the Company to the Grantee may be given to the Grantee personally or may be mailed to the Grantee at the Grantee's address as recorded in the records of the Company.

**13. No Right to Continued Employment**. This Agreement shall not be construed as giving the Grantee the right to be retained in the employ or service of the Company, a Subsidiary or an Affiliate. Further, the Company or an Affiliate may at any time dismiss the

Grantee or discontinue any consulting relationship, free from any liability or any claim under this Agreement, except as otherwise expressly provided herein.

**14. Binding Effect.** Subject to Section 8 hereof, this Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

**15. Amendment of Agreement.** The Committee may, to the extent consistent with the terms of this Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any portion of the RSUs heretofore granted, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would adversely impair the rights of the Grantee in respect of any RSUs already granted shall not to that extent be effective without the consent of the Grantee.

**16. RSUs Subject to Plan and NQDC Plan.** By entering into this Agreement, the Grantee agrees and acknowledges that the Grantee has received and read a copy of the Plan and a copy of the NQDC Plan. The RSUs are subject to the terms of Plan, and the NQDC Plan if the RSUs are deferred under the NQDC Plan. The terms and provisions of the plans as they may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of either the Plan or the NQDC Plan, the applicable terms and provisions of the applicable plan will govern and prevail.

**17. Governing Law.** This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware without regard to the principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the State of Delaware.

**IN WITNESS WHEREOF** , the parties hereto have executed this Agreement as of the day and year first above written.

**AMN HEALTHCARE SERVICES, INC.**

**By:** \_\_\_\_\_  
Name: Susan R. Salka  
Title: President and CEO

**GRANTEE**

**By:**  
Name:

**SCHEDULE I**

**ADJUSTED EBITDA PERFORMANCE THRESHOLDS**

**AMN HEALTHCARE  
EQUITY PLAN  
RESTRICTED STOCK UNIT AGREEMENT**

THIS RESTRICTED STOCK UNIT AGREEMENT (the “Agreement”), made this \_\_\_\_\_, 2017 by and between AMN Healthcare Services, Inc. (the “Company”), a Delaware corporation, and \_\_\_\_\_ (the “Grantee”).

WITNESSETH:

WHEREAS, the Company sponsors the AMN Healthcare Equity Plan, as amended and restated (the “Plan”), and desires to afford the Grantee the opportunity to share in the appreciation of the Company’s common stock, par value \$.01 per share (“Stock”) thereunder, thereby strengthening the Grantee’s commitment to the welfare of the Company and Affiliates and promoting an identity of interest between stockholders and the Grantee.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto hereby agree as follows:

**1. Definitions.**

The following definitions shall be applicable throughout the Agreement. Where capitalized terms are used but not defined herein, their meaning shall be that set forth in the Plan (unless the context indicates otherwise).

(a) “Affiliate” means (i) any entity that directly or indirectly is controlled by, or is under common control with the Company and (ii) any entity in which the Company has a significant equity interest, in either case as determined by the Committee.

(b) “Change in Control” means:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of a majority of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors;

(ii) the sale of all or substantially all of the business or assets of the Company; or

(iii) the consummation of a merger, consolidation or similar form of corporate transaction involving the Company that requires the approval of the Company’s stockholders, whether for such transaction or the issuance of securities in the transaction (a “Business Combination”), if immediately following such Business Combination: (x) a Person is or becomes the beneficial owner, directly or indirectly, of a majority of the



combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), or (y) the Company's stockholders prior to the Business Combination thereafter cease to beneficially own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), counting for this purpose only voting securities of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) received by such stockholders in connection with the Business Combination. "Surviving Corporation" shall mean the corporation resulting from a Business Combination, and "Parent Corporation" shall mean the ultimate parent corporation that directly or indirectly has beneficial ownership of a majority of the combined voting power of the then outstanding voting securities of the Surviving Corporation entitled to vote generally in the election of directors.

(c) "Disabled" has the meaning set forth in Section 13(c)(ii) of the Plan.

(d) "Grant Date" means \_\_\_\_\_, 2017, which is the date the Committee authorized this RSU grant.

(e) "Restricted Stock Units" or "RSUs" means the restricted stock units granted under Section 2.

**2. Grant of Restricted Stock Units.** Subject to the terms and conditions set forth herein, the Company hereby grants to the Grantee an aggregate of \_\_\_\_\_ Restricted Stock Units.

**3. Vesting Schedule.** No RSUs may be settled until they shall have vested. Except as otherwise set forth in this Agreement or in the Plan, 100% of the RSUs shall vest on the earlier of the first anniversary of the Grant Date or the date of the Company's annual meeting of stockholders the first year following the Grant Date.

**4. Settlement of RSUs.**

(a) Each vested RSU entitles the Grantee to receive one share of Stock on the "Settlement Date," which shall be the vesting date.

(b) Shares of Stock underlying the RSUs shall be issued and delivered to the Grantee in accordance with paragraph (a) and upon compliance to the satisfaction of the Committee with all requirements under applicable laws or regulations in connection with such issuance and with the requirements hereof and of the Plan. The determination of the Committee as to such compliance shall be final and binding on the Grantee. The shares of Stock delivered to the Grantee pursuant to this Section 4 shall be free and clear of all liens, fully paid and non-assessable. In no event shall fractional shares of Stock be issued.

(c) Until such time as shares of Stock have been issued to the Grantee pursuant to paragraph (b) above, and except as set forth in Section 5 below regarding dividend

equivalents, the Grantee shall not have any rights as a holder of the shares of Stock underlying this Grant including but not limited to voting rights.

**5. Dividend Equivalents.** If on any date the Company shall pay any cash dividend on shares of Stock of the Company, the number of RSUs credited to the Grantee shall, as of such date, be increased by an amount determined by the following formula:

W = (X multiplied by Y) divided by Z, where:

W = the number of additional RSUs to be credited to the Grantee on such dividend payment date;

X = the aggregate number of RSUs (whether vested or unvested) credited to the Grantee as of the record date of the dividend;

Y = the cash dividend per share amount; and

Z = the Fair Market Value per share of Stock (as determined under the Plan) on the dividend payment date.

**6. Termination of Service.** If, prior to the Settlement Date, the Grantee shall undergo (other than by reason of death or becoming Disabled) a termination of service, the RSUs that are not vested at the date of such termination shall be cancelled on such date.

**7. Company; Grantee.**

(a) The term “Company” as used in this Agreement with reference to service shall include the Company, its Subsidiaries and its Affiliates, as appropriate.

(b) Whenever the word “Grantee” is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the beneficiaries, the executors, the administrators, or the person or persons to whom the RSUs may be transferred by will or by the laws of descent and distribution, the word “Grantee” shall be deemed to include such person or persons.

**8. Non-Transferability.** The RSUs granted herein are not transferable by the Grantee other than to a designated beneficiary upon death, by will or the laws of descent and distribution, or to a trust solely for the benefit of the Grantee or Grantee’s immediate family.

**9. Forfeiture for Violation.**

(a) Non-Solicit. The Grantee agrees that during the term of the Grantee’s service and for a period of two years thereafter, the Grantee shall not solicit, attempt to solicit or endeavor to entice away from the Company any person who, at any time during the term of the Grantee’s service was a healthcare professional (including a healthcare executive) of the Company, or an employee, customer, permanent placement candidate, client or supplier of the Company.

(b) Confidential and Proprietary Information. The Grantee agrees that the Grantee will not, at any time make use of or divulge to any other person, firm or corporation any confidential or proprietary information concerning the business or policies of the Company (which includes, for the avoidance of doubt, any and all of its divisions, Affiliates or Subsidiaries). For purposes of this Agreement, any confidential information shall constitute any information designated as confidential or proprietary by the Company or otherwise known by the Grantee to be confidential or proprietary information including, without limitation, customer information. The Grantee acknowledges and agrees that for purposes of this Agreement, “customer information” includes without limitation, customer lists, all lists of professional personnel, names, addresses, phone numbers, contact persons, preferences, pricing arrangements, requirements and practices. The Grantee’s obligation under this Section 9(b) shall not apply to any information that (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of the Grantee; or (iii) is hereafter disclosed to the Grantee by a third party not under an obligation of confidence to the Company. The Grantee agrees not to remove from the premises of the Company, except in service of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Company, any document or other object containing or reflecting any such confidential or proprietary information. The Grantee recognizes that all such information, whether developed by the Grantee or by someone else, will be the sole exclusive property of the Company. Upon termination of service, the Grantee shall forthwith deliver to the Company all such confidential or proprietary information, including without limitation all lists of customers, pricing methods, financial structures, correspondence, accounts, records and any other documents, computer disks, computer programs, software, laptops, modems or property made or held by the Grantee or under the Grantee’s control in relation to the business or affairs of the Company, and no copy of any such confidential or proprietary information shall be retained by the Grantee.

(c) Forfeiture for Violations. If the Grantee shall at any time violate the provisions of Section 9(a) or (b), the Grantee shall immediately forfeit his/her RSUs (whether vested or unvested) and any issuance of shares of Stock that occurs after (or within six (6) months before) any such violation shall be void ab initio.

(d) Additional Agreement. For the avoidance of doubt, this Section 9 shall be in addition to and shall not supersede (or be superseded by) any other agreements related to the subject matter of this Section 9 contained in any confidentiality agreement or any other agreement between the Grantee and the Company.

**10. Rights as Stockholder**. The Grantee or a transferee of the RSUs shall have no rights as a stockholder with respect to any share of Stock covered by the RSUs until the Grantee shall have become the holder of record of such share of Stock and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Stock for which the record date is prior to the date upon which he/she shall become the holder of record thereof.

**11. Effect of Change in Control**.

(a) In the event of a Change in Control, notwithstanding any vesting schedule, 100% of the RSUs shall become immediately vested upon such Change in Control.

The Company shall issue shares of Stock (or cash if shares of Stock are no longer available) to the Grantee to settle the vested RSUs as soon as reasonably practicable.

(b) The obligations of the Company under this Agreement shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of the Grantee's rights under this Agreement in any agreement or plan that it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

**12. Notice.** Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices or communications by the Grantee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices or communications by the Company to the Grantee may be given to the Grantee personally or may be mailed to the Grantee at the Grantee's address as recorded in the records of the Company.

**13. No Right to Continued Service.** This Agreement shall not be construed as giving the Grantee the right to be retained in the service of the Company, a Subsidiary or an Affiliate. Further, the Company or an Affiliate may at any time dismiss the Grantee or discontinue any consulting relationship, free from any liability or any claim under this Agreement, except as otherwise expressly provided herein.

**14. Binding Effect.** Subject to Section 8 hereof, this Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

**15. Amendment of Agreement.** The Committee may, to the extent consistent with the terms of this Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any portion of the RSUs heretofore granted, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would adversely impair the rights of the Grantee in respect of any RSUs already granted shall not to that extent be effective without the consent of the Grantee.

**16. RSUs Subject to Plan.** By entering into this Agreement, the Grantee agrees and acknowledges that the Grantee has received and read a copy of the Plan. The RSUs are subject to the terms of the Plan. The terms and provisions of the Plan as they may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

**17. Governing Law.** This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware without regard to the principles of

conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the State of Delaware.

**IN WITNESS WHEREOF** , the parties hereto have executed this Agreement as of the day and year first above written.

**AMN HEALTHCARE SERVICES, INC.**

By: \_\_\_\_\_  
Name: Susan R. Salka  
Title: President and CEO

**GRANTEE**

By: \_\_\_\_\_  
Name:

**AMN HEALTHCARE  
EQUITY PLAN  
RESTRICTED STOCK UNIT AGREEMENT**

THIS RESTRICTED STOCK UNIT AGREEMENT (the “Agreement”), made this \_\_\_\_\_, 2017 by and between AMN Healthcare Services, Inc. (the “Company”), a Delaware corporation, and \_\_\_\_\_ (the “Grantee”).

WITNESSETH:

WHEREAS, the Company sponsors the AMN Healthcare Equity Plan, as amended and restated (the “Plan”), and desires to afford the Grantee the opportunity to share in the appreciation of the Company’s common stock, par value \$.01 per share (“Stock”) thereunder, thereby strengthening the Grantee’s commitment to the welfare of the Company and Affiliates and promoting an identity of interest between stockholders and the Grantee.

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties hereto hereby agree as follows:

**1. Definitions.**

The following definitions shall be applicable throughout the Agreement. Where capitalized terms are used but not defined herein, their meaning shall be that set forth in the Plan (unless the context indicates otherwise).

(a) “Affiliate” means (i) any entity that directly or indirectly is controlled by, or is under common control with the Company and (ii) any entity in which the Company has a significant equity interest, in either case as determined by the Committee.

(b) “Change in Control” means:

(i) The acquisition by any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) (a “Person”) of beneficial ownership (within the meaning of Rule 13d-3 promulgated under the Exchange Act) of a majority of the combined voting power of the then outstanding voting securities of the Company entitled to vote generally in the election of directors;

(ii) the sale of all or substantially all of the business or assets of the Company; or

(iii) the consummation of a merger, consolidation or similar form of corporate transaction involving the Company that requires the approval of the Company’s stockholders, whether for such transaction or the issuance of securities in the transaction (a “Business Combination”), if immediately following such Business Combination:

(x) a Person is or becomes the beneficial owner, directly or indirectly, of a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), or (y) the Company's stockholders prior to the Business Combination thereafter cease to beneficially own, directly or indirectly, a majority of the combined voting power of the outstanding voting securities eligible to elect directors of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation), counting for this purpose only voting securities of the Parent Corporation (or, if there is no Parent Corporation, the Surviving Corporation) received by such stockholders in connection with the Business Combination. "Surviving Corporation" shall mean the corporation resulting from a Business Combination, and "Parent Corporation" shall mean the ultimate parent corporation that directly or indirectly has beneficial ownership of a majority of the combined voting power of the then outstanding voting securities of the Surviving Corporation entitled to vote generally in the election of directors.

(c) "Disabled" has the meaning set forth in Section 13(c)(ii) of the Plan.

(d) "Grant Date" means \_\_\_\_\_, 2017, which is the date the Committee authorized this RSU grant.

(e) "Restricted Stock Units" or "RSUs" means the restricted stock units granted under Section 2.

**2. Grant of Restricted Stock Units.** Subject to the terms and conditions set forth herein, the Company hereby grants to the Grantee an aggregate of \_\_\_\_\_ Restricted Stock Units.

**3. Vesting Schedule.** No RSUs may be settled until they shall have vested. Except as otherwise set forth in this Agreement or in the Plan, 100% of the RSUs shall vest on the earlier of the first anniversary of the Grant Date or the date of the Company's annual meeting of stockholders the first year following the Grant Date.

**4. Settlement of RSUs.**

(a) Each vested RSU entitles the Grantee to receive one share of Stock on the "Settlement Date," which shall be the date of the Grantee's termination of service from the Company.

(b) Shares of Stock underlying the RSUs shall be issued and delivered to the Grantee in accordance with paragraph (a) and upon compliance to the satisfaction of the Committee with all requirements under applicable laws or regulations in connection with such issuance and with the requirements hereof and of the Plan. The determination of the Committee as to such compliance shall be final and binding on the Grantee. The shares of Stock delivered to the Grantee pursuant to this Section 4 shall be free and clear of all liens, fully paid and non-assessable. In no event shall fractional shares of Stock be issued.

(c) Until such time as shares of Stock have been issued to the Grantee pursuant to paragraph (b) above, and except as set forth in Section 5 below regarding dividend equivalents, the Grantee shall not have any rights as a holder of the shares of Stock underlying this Grant including but not limited to voting rights.

5. **Dividend Equivalents**. If on any date the Company shall pay any cash dividend on shares of Stock of the Company, the number of RSUs credited to the Grantee shall, as of such date, be increased by an amount determined by the following formula:

W = (X multiplied by Y) divided by Z, where:

W = the number of additional RSUs to be credited to the Grantee on such dividend payment date;

X = the aggregate number of RSUs (whether vested or unvested) credited to the Grantee as of the record date of the dividend;

Y = the cash dividend per share amount; and

Z = the Fair Market Value per share of Stock (as determined under the Plan) on the dividend payment date.

6. **Termination of Service**. If, prior to the Settlement Date, the Grantee shall undergo (other than by reason of death or becoming Disabled) a termination of service, the RSUs that are not vested at the date of such termination shall be cancelled on such date.

7. **Company; Grantee**.

(a) The term “Company” as used in this Agreement with reference to service shall include the Company, its Subsidiaries and its Affiliates, as appropriate.

(b) Whenever the word “Grantee” is used in any provision of this Agreement under circumstances where the provision should logically be construed to apply to the beneficiaries, the executors, the administrators, or the person or persons to whom the RSUs may be transferred by will or by the laws of descent and distribution, the word “Grantee” shall be deemed to include such person or persons.

8. **Non-Transferability**. The RSUs granted herein are not transferable by the Grantee other than to a designated beneficiary upon death, by will or the laws of descent and distribution, or to a trust solely for the benefit of the Grantee or Grantee’s immediate family.

9. **Forfeiture for Violation**.

(a) **Non-Solicit**. The Grantee agrees that during the term of the Grantee’s service and for a period of two years thereafter, the Grantee shall not solicit, attempt to solicit or endeavor to entice away from the Company any person who, at any time during the



term of the Grantee's service was a healthcare professional (including a healthcare executive) of the Company, or an employee, customer, permanent placement candidate, client or supplier of the Company.

(b) Confidential and Proprietary Information. The Grantee agrees that the Grantee will not, at any time make use of or divulge to any other person, firm or corporation any confidential or proprietary information concerning the business or policies of the Company (which includes, for the avoidance of doubt, any and all of its divisions, Affiliates or Subsidiaries. For purposes of this Agreement, any confidential information shall constitute any information designated as confidential or proprietary by the Company or otherwise known by the Grantee to be confidential or proprietary information including, without limitation, customer information. The Grantee acknowledges and agrees that for purposes of this Agreement, "customer information" includes without limitation, customer lists, all lists of professional personnel, names, addresses, phone numbers, contact persons, preferences, pricing arrangements, requirements and practices. The Grantee's obligation under this Section 9(b) shall not apply to any information that (i) is known publicly; (ii) is in the public domain or hereafter enters the public domain without the fault of the Grantee; or (iii) is hereafter disclosed to the Grantee by a third party not under an obligation of confidence to the Company. The Grantee agrees not to remove from the premises of the Company, except in service of the Company in pursuit of the business of the Company or except as specifically permitted in writing by the Company, any document or other object containing or reflecting any such confidential or proprietary information. The Grantee recognizes that all such information, whether developed by the Grantee or by someone else, will be the sole exclusive property of the Company. Upon termination of service, the Grantee shall forthwith deliver to the Company all such confidential or proprietary information, including without limitation all lists of customers, pricing methods, financial structures, correspondence, accounts, records and any other documents, computer disks, computer programs, software, laptops, modems or property made or held by the Grantee or under the Grantee's control in relation to the business or affairs of the Company, and no copy of any such confidential or proprietary information shall be retained by the Grantee.

(c) Forfeiture for Violations. If the Grantee shall at any time violate the provisions of Section 9(a) or (b), the Grantee shall immediately forfeit his/her RSUs (whether vested or unvested) and any issuance of shares of Stock that occurs after (or within six (6) months before) any such violation shall be void ab initio.

(d) Additional Agreement. For the avoidance of doubt, this Section 9 shall be in addition to and shall not supersede (or be superseded by) any other agreements related to the subject matter of this Section 9 contained in any confidentiality agreement or any other agreement between the Grantee and the Company.

**10. Rights as Stockholder.** The Grantee or a transferee of the RSUs shall have no rights as a stockholder with respect to any share of Stock covered by the RSUs until the Grantee shall have become the holder of record of such share of Stock and no adjustment shall be made for dividends or distributions or other rights in respect of such share of Stock for which the record date is prior to the date upon which he/she shall become the holder of record thereof.

**11. Effect of Change in Control.**

(a) In the event of a Change in Control, notwithstanding any vesting schedule, 100% of the RSUs shall become immediately vested upon such Change in Control. The Company shall issue shares of Stock (or cash if shares of Stock are no longer available) to the Grantee to settle the vested RSUs as soon as reasonably practicable.

(b) The obligations of the Company under this Agreement shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company. The Company agrees that it will make appropriate provisions for the preservation of the Grantee's rights under this Agreement in any agreement or plan that it may enter into or adopt to effect any such merger, consolidation, reorganization or transfer of assets.

**12. Notice.** Every notice or other communication relating to this Agreement shall be in writing, and shall be mailed to or delivered to the party for whom it is intended at such address as may from time to time be designated by it in a notice mailed or delivered to the other party as herein provided, provided that, unless and until some other address be so designated, all notices or communications by the Grantee to the Company shall be mailed or delivered to the Company at its principal executive office, and all notices or communications by the Company to the Grantee may be given to the Grantee personally or may be mailed to the Grantee at the Grantee's address as recorded in the records of the Company.

**13. No Right to Continued Service.** This Agreement shall not be construed as giving the Grantee the right to be retained in the service of the Company, a Subsidiary or an Affiliate. Further, the Company or an Affiliate may at any time dismiss the Grantee or discontinue any consulting relationship, free from any liability or any claim under this Agreement, except as otherwise expressly provided herein.

**14. Binding Effect.** Subject to Section 8 hereof, this Agreement shall be binding upon the heirs, executors, administrators and successors of the parties hereto.

**15. Amendment of Agreement.** The Committee may, to the extent consistent with the terms of this Agreement, waive any conditions or rights under, amend any terms of, or alter, suspend, discontinue, cancel or terminate, any portion of the RSUs heretofore granted, prospectively or retroactively; provided that any such waiver, amendment, alteration, suspension, discontinuance, cancellation or termination that would adversely impair the rights of the Grantee in respect of any RSUs already granted shall not to that extent be effective without the consent of the Grantee.

**16. RSUs Subject to Plan.** By entering into this Agreement, the Grantee agrees and acknowledges that the Grantee has received and read a copy of the Plan. The RSUs are subject to the terms of the Plan. The terms and provisions of the Plan as they may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

**17. Governing Law.** This Agreement shall be construed and interpreted in accordance with the internal laws of the State of Delaware without regard to the principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction that could cause the application of the laws of any jurisdiction other than the State of Delaware.

**IN WITNESS WHEREOF** , the parties hereto have executed this Agreement as of the day and year first above written.

**AMN HEALTHCARE SERVICES, INC.**

**By:** \_\_\_\_\_  
Name: Susan R. Salka  
Title: President and CEO

**GRANTEE**

**By:** \_\_\_\_\_  
Name:

**Certification Pursuant To  
Rule 13a-14(a) of the Securities Exchange Act of 1934**

I, Susan R. Salka, certify that:

1. I have reviewed this report on Form 10-Q of AMN Healthcare Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

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**Susan R. Salka**  
**Director, President and Chief Executive Officer**  
**(Principal Executive Officer)**

Date: May 5, 2017

**Certification Pursuant To  
Rule 13a-14(a) of the Securities Exchange Act of 1934**

I, Brian M. Scott, certify that:

1. I have reviewed this report on Form 10-Q of AMN Healthcare Services, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/ S / B R I A N M. S C O T T

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**Brian M. Scott  
Chief Accounting Officer,  
Chief Financial Officer and Treasurer  
(Principal Accounting and Financial Officer)**

Date: May 5, 2017

## AMN Healthcare Services, Inc.

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

In connection with the Quarterly Report of AMN Healthcare Services, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Susan R. Salka, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ SUSAN R. SALKA

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**Susan R. Salka**  
**Director, President and Chief Executive Officer**  
**(Principal Executive Officer)**

Date: May 5, 2017

## AMN Healthcare Services, Inc.

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

In connection with the Quarterly Report of AMN Healthcare Services, Inc. (the "Company") on Form 10-Q for the period ended March 31, 2017 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian M. Scott, Chief Accounting Officer, Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ B R I A N M. S C O T T

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**Brian M. Scott**  
**Chief Accounting Officer,**  
**Chief Financial Officer and Treasurer**  
**(Principal Accounting and Financial Officer)**

Date: May 5, 2017