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

FORM 10-Q

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

For the quarterly period ended March 31, 2019

OR

o 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	**06-1500476**
(State or Other Jurisdiction of Incorporation or Organization)	*(I.R.S. Employer Identification No.)*
12400 High Bluff Drive, Suite 100 San Diego, California	**92130**
(Address of Principal Executive Offices)	*(Zip Code)*

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

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

Title of Each Class	Trading Symbol	Name of each exchange on which registered
Common Stock, $0.01 par value	AMN	New York Stock Exchange

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 x No o

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

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

Large accelerated filer x	Accelerated filer o	Non-accelerated filer o
Smaller reporting company o	Emerging growth company o	

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. o

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

As of May 1, 2019, there were 46,619,697 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)

	March 31, 2019	December 31, 2018
ASSETS		
Current assets:		
Cash and cash equivalents	$ 19,116	$ 13,856
Accounts receivable, net of allowances of $11,716 and $10,560 at March 31, 2019 and December 31, 2018, respectively	365,231	365,871
Accounts receivable, subcontractor	55,607	50,143
Prepaid expenses	17,724	12,409
Other current assets	31,209	39,887
Total current assets	488,887	482,166
Restricted cash, cash equivalents and investments	61,279	59,331
Fixed assets, net of accumulated depreciation of $119,489 and $114,413 at March 31, 2019 and December 31, 2018, respectively	93,625	90,419
Operating lease right-of-use assets	97,055	—
Other assets	105,590	96,152
Goodwill	464,923	438,506
Intangible assets, net of accumulated amortization of $121,575 and $114,924 at March 31, 2019 and December 31, 2018, respectively	326,466	326,147
Total assets	$ 1,637,825	$ 1,492,721
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 153,566	$ 149,603
Accrued compensation and benefits	135,792	135,059
Current portion of operating lease liabilities	12,341	—
Deferred revenue	11,459	12,365
Other current liabilities	20,112	10,243
Total current liabilities	333,270	307,270
Revolving credit facility	150,000	120,000
Notes payable, less unamortized fees	320,798	320,607
Deferred income taxes, net	20,079	27,326
Operating lease liabilities	99,946	—
Other long-term liabilities	63,746	78,528
Total liabilities	987,839	853,731
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value; 10,000 shares authorized; none issued and outstanding at March 31, 2019 and December 31, 2018	—	—
Common stock, $0.01 par value; 200,000 shares authorized; 49,122 issued and 46,578 outstanding at March 31, 2019 and 48,809 issued and 46,643 outstanding at December 31, 2018	491	488
Additional paid-in capital	447,632	452,730
Treasury stock, at cost (2,544 and 2,166 shares at March 31, 2019 and December 31, 2018, respectively)	(118,368)	(100,438)
Retained earnings	320,181	286,059
Accumulated other comprehensive income	50	151
Total stockholders' equity	649,986	638,990
Total liabilities and stockholders' equity	$ 1,637,825	$ 1,492,721

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)

	Three Months Ended March 31,	
	2019	2018
Revenue	$ 532,441	$ 522,489
Cost of revenue	355,682	354,665
Gross profit	176,759	167,824
Operating expenses:		
Selling, general and administrative	119,997	104,737
Depreciation and amortization	11,710	7,886
Total operating expenses	131,707	112,623
Income from operations	45,052	55,201
Interest expense, net, and other	5,673	5,335
Income before income taxes	39,379	49,866
Income tax expense	5,257	7,185
Net income	$ 34,122	$ 42,681
Other comprehensive loss:		
Foreign currency translation and other	(101)	(19)
Other comprehensive loss	(101)	(19)
Comprehensive income	$ 34,021	$ 42,662
Net income per common share:		
Basic	$ 0.73	$ 0.89
Diluted	$ 0.71	$ 0.87
Weighted average common shares outstanding:		
Basic	46,784	47,733
Diluted	47,772	49,116

See accompanying notes to unaudited condensed consolidated financial statements.

AMN HEALTHCARE SERVICES, INC.

CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited and in thousands)

	Common Stock		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Loss	Total
	Shares	Amount		Shares	Amount			
Balance, December 31, 2017	48,411	$ 484	$ 453,351	(930)	$ (33,425)	$ 142,229	$ (112)	$ 562,527
Equity awards vested and exercised, net of shares withheld for payroll taxes	349	4	(10,930)	—	—	—	—	(10,926)
Cumulative-effect adjustment from adoption of the new revenue recognition standard	—	—	—	—	—	2,089	—	2,089
Share-based compensation	—	—	2,864	—	—	—	—	2,864
Comprehensive income (loss)	—	—	—	—	—	42,681	(19)	42,662
Balance, March 31, 2018	48,760	$ 488	$ 445,285	(930)	$ (33,425)	$ 186,999	$ (131)	$ 599,216

	Common Stock		Additional Paid-in Capital	Treasury Stock		Retained Earnings	Accumulated Other Comprehensive Income	Total
	Shares	Amount		Shares	Amount			
Balance, December 31, 2018	48,809	$ 488	$ 452,730	(2,166)	$ (100,438)	$ 286,059	$ 151	$ 638,990
Repurchase of common stock into treasury	—	—	—	(378)	(17,930)	—	—	(17,930)
Equity awards vested and exercised, net of shares withheld for payroll taxes	313	3	(10,284)	—	—	—	—	(10,281)
Share-based compensation	—	—	5,186	—	—	—	—	5,186
Comprehensive income (loss)	—	—	—	—	—	34,122	(101)	34,021
Balance, March 31, 2019	49,122	$ 491	$ 447,632	(2,544)	$ (118,368)	$ 320,181	$ 50	$ 649,986

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,	
	2019	2018
Cash flows from operating activities:		
Net income	$ 34,122	$ 42,681
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	11,710	7,886
Non-cash interest expense and other	543	600
Write-off of fees on the prior credit facilities	—	574
Change in fair value of contingent consideration	(700)	—
Increase in allowances for doubtful accounts and sales credits	2,608	2,257
Provision for deferred income taxes	(9,036)	(5,113)
Share-based compensation	5,186	2,864
Loss on disposal or sale of fixed assets	4	5
Amortization of discount on investments	(120)	(15)
Non-cash lease expense	(92)	—
Changes in assets and liabilities, net of effects from acquisitions:		
Accounts receivable	(1,500)	9,154
Accounts receivable, subcontractor	(5,465)	1,985
Income taxes receivable	799	9,881
Prepaid expenses	(5,387)	(2,375)
Other current assets	(1,783)	2,825
Other assets	(6,202)	(89)
Accounts payable and accrued expenses	2,949	(7,816)
Accrued compensation and benefits	330	(4,007)
Other liabilities	9,630	(1,498)
Deferred revenue	(1,418)	(52)
Restricted investments balance	36	(12)
Net cash provided by operating activities	36,214	59,735
Cash flows from investing activities:		
Purchase and development of fixed assets	(7,388)	(5,703)
Purchase of investments	(7,362)	(2,086)
Proceeds from maturity of investments	11,700	2,900
Payments to fund deferred compensation plan	(3,583)	(4,724)
Cash paid for acquisitions, net of cash received	(29,525)	—
Cash paid for other intangibles	(90)	—
Net cash used in investing activities	(36,248)	(9,613)

	Three Months Ended March 31, 2019	2018
Cash flows from financing activities:		
Proceeds from revolving credit facility	30,000	—
Repurchase of common stock	(17,930)	—
Payment of financing costs	—	(2,331)
Earn-out payments for prior acquisitions	—	(1,713)
Cash paid for shares withheld for taxes	(10,280)	(10,926)
Net cash provided by (used in) financing activities	1,790	(14,970)
Effect of exchange rate changes on cash	(101)	(19)
Net increase in cash, cash equivalents and restricted cash	1,655	35,133
Cash, cash equivalents and restricted cash at beginning of period	84,324	98,894
Cash, cash equivalents and restricted cash at end of period	$ 85,979	$ 134,027
Supplemental disclosures of cash flow information:		
Cash paid for amounts included in the measurement of operating lease liabilities	$ 4,338	$ —
Cash paid for interest (net of $102 and $104 capitalized for the three months ended March 31, 2019 and 2018, respectively)	$ 1,524	$ 201
Cash paid for income taxes	$ 4,192	$ 2,731
Acquisitions:		
Fair value of tangible assets acquired in acquisitions, net of cash received	$ 1,041	$ —
Goodwill	26,494	—
Intangible assets	6,880	—
Liabilities assumed	(3,390)	—
Earn-out liabilities	(1,500)	—
Net cash paid for acquisitions	$ 29,525	$ —
Supplemental disclosures of non-cash investing and financing activities:		
Purchase of fixed assets recorded in accounts payable and accrued expenses	$ 2,566	$ 2,860

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 (“U.S. GAAP”). Please refer to the Company’s audited consolidated financial statements and the related notes for the fiscal year ended December 31, 2018, contained in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2018, filed with the Securities and Exchange Commission on February 21, 2019 (“2018 Annual Report”).

The preparation of financial statements in conformity with U.S. GAAP 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 February 2016, the Financial Accounting Standards Board (“FASB”) issued Accounting Standard Update (“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. A modified retrospective transition approach is required, applying the standard to all leases existing at the date of initial application. In addition, the FASB has also issued several amendments to the standard, which clarify certain aspects of the guidance, including an optional transition method for adoption of this standard, which allows organizations to initially apply the new requirements at the effective date, recognize a cumulative effect adjustment to the opening balance of retained earnings, and continue to apply the legacy guidance in Accounting Standards Codification (“ASC”) 840, Leases, including its disclosure requirements, in the comparative periods presented. The new standard provides a number of optional practical expedients in transition. The Company elected the ‘package of practical expedients’, which permits organizations not to reassess under the new standard prior conclusions about lease identification, lease classification and initial direct costs. The Company did not elect to use the hindsight practical expedient to determine the lease term or evaluate impairment for existing leases.

The Company adopted ASU 2016-02 effective January 1, 2019, using the optional transition method described above. The Company recognized the cumulative effect of adopting this guidance as an adjustment as of the effective date, primarily related to the recognition of lease liabilities of $114,807 and corresponding right-of-use assets of $99,525 for existing operating leases. The Company also derecognized existing deferred rent liabilities of $15,302. These adjustments had no effect on opening retained earnings and prior periods were not retrospectively adjusted and continue to be reported in accordance with ASC 840. The new standard also provides practical expedients for an organization’s ongoing accounting. The Company elected the short-term lease recognition exemption and the practical expedient to not separate lease and non-lease components for all leases that qualify. The Company does not expect the adoption of this standard to impact its results of operations.

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

Cash, cash equivalents and restricted cash

The Company considers all highly liquid investments with an original maturity of three months or less to be cash equivalents. Cash and cash equivalents include currency on hand, deposits with financial institutions and highly liquid investments. Restricted cash and cash equivalents primarily represent cash and money market funds on deposit with financial institutions and investments represents commercial paper that serves as collateral for the Company's outstanding letters of credit and captive insurance subsidiary claim payments. See Note (6), "New Credit Agreement" and Note (7), "Fair Value Measurement" for additional information.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the accompanying condensed consolidated balance sheets and related notes to the amounts presented in the accompanying condensed consolidated statements of cash flows.

	March 31, 2019	December 31, 2018
Cash and cash equivalents	$ 19,116	$ 13,856
Restricted cash and cash equivalents (included in other current assets)	16,522	26,329
Restricted cash, cash equivalents and investments	61,279	59,331
Total cash, cash equivalents and restricted cash and investments	96,917	99,516
Less restricted investments	(10,938)	(15,192)
Total cash, cash equivalents and restricted cash	$ 85,979	$ 84,324

2. ACQUISITIONS

As set forth below, the Company completed three acquisitions from January 1, 2018 through March 31, 2019. 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. Since the applicable date of acquisition, the Company has revised the allocation of the purchase price to the tangible and intangible assets acquired and liabilities assumed based on analysis of information that has been made available through March 31, 2019. The allocation will continue to be updated through the measurement period, if necessary. For each acquisition, the Company did not incur any material acquisition-related costs.

Silversheet Acquisition

On January 30, 2019, the Company completed its acquisition of Silversheet, Inc. ("Silversheet") which provides innovative software and services to reduce the complexities and challenges of the credentialing process for clinicians and healthcare organizations. The initial purchase price of $31,676 included (1) $30,176 cash consideration paid upon acquisition, funded primarily through borrowings under the Company's $400,000 secured revolving credit facility (the "Senior Credit Facility"), provided for under a credit agreement (the "New Credit Agreement"), dated as of February 9, 2018, by and among the Company and several lenders, and (2) a contingent earn-out payment of up to $25,000 with an estimated fair value of $1,500 as of the acquisition date. The contingent earn-out payment is based on (A) up to $6,000 based on the operating results of Silversheet for the twelve months ending December 31, 2019, and (B) up to $19,000 based on the operating results of Silversheet for the twelve months ending December 31, 2020. The results of Silversheet have been included in the Company's other workforce solutions segment since the date of acquisition. The New Credit Agreement is more fully described in Note (6), "New Credit Agreement."

The preliminary allocation of the $31,676 purchase price consisted of (1) $1,692 of fair value of tangible assets acquired, which included $651 cash received, (2) $3,390 of liabilities assumed, (3) $6,880 of identified intangible assets, and (4) $26,494 of goodwill, none of which is deductible for tax purposes. The fair value of intangible assets primarily includes $5,300 of developed technology and $1,500 of trademarks with a weighted average useful life of approximately eight years.

MedPartners Acquisition

On April 9, 2018, the Company completed its acquisition of MedPartners HIM ("MedPartners"), which provides case management, clinical documentation improvement, medical coding and registry services to hospitals and physician medical groups nationwide. The initial purchase price of $200,711 included (1) $196,533 cash consideration paid upon acquisition, funded primarily through borrowings under the Senior Credit Facility, and (2) a contingent earn-out payment of up to $20,000 with an estimated fair value of $4,400 as of the acquisition date. The contingent earn-out payment is based on (A) up to $10,000 based on the operating results of MedPartners for the twelve months ending December 31, 2018, which resulted in no earn-out payment, and (B) up to $10,000 based on the operating results of MedPartners for the six months ending June 30, 2019. The results of MedPartners have been included in the Company's other workforce solutions segment since the date of acquisition. During the third quarter of 2018, $222 was returned to the Company for the final working capital settlement.

The preliminary allocation of the $200,711 purchase price consisted of (1) $28,510 of fair value of tangible assets acquired, which included $8,403 cash received, (2) $11,848 of liabilities assumed, (3) $103,000 of identified intangible assets, and (4) $81,049 of goodwill, all of which is deductible for tax purposes. The intangible assets acquired have a weighted average useful life of approximately sixteen years. The following table summarizes the fair value and useful life of each intangible asset acquired:

	Fair Value	Useful Life (in years)
Identifiable intangible assets		
Tradenames and Trademarks	$ 46,000	20
Customer Relationships	57,000	12
	$ 103,000	

Phillips DiPisa and Leaders For Today Acquisition

On April 6, 2018, the Company completed its acquisition of two related entities, Phillips DiPisa and Leaders For Today ("PDA and LFT"), which offer a range of leadership staffing and permanent placement solutions for the healthcare industry. The initial purchase price of $35,503 included (1) $30,268 cash consideration paid upon acquisition, funded through cash on hand, and (2) a contingent earn-out payment of up to $7,000 with an estimated fair value of $5,700 as of the acquisition date. The contingent earn-out payment is based on the operating results of PDA and LFT for the twelve months ending December 31, 2018, which resulted in the full earn-out payment made in April 2019. The results of PDA and LFT have been included in the Company's other workforce solutions segment since the date of acquisition. During the third quarter of 2018, $465 was returned to the Company for the final working capital settlement.

The preliminary allocation of the $35,503 purchase price consisted of (1) $4,373 of fair value of tangible assets acquired, which included $351 cash received, (2) $4,764 of liabilities assumed, (3) $19,110 of identified intangible assets, and (4) $16,784 of goodwill, all of which is deductible for tax purposes. The fair value of intangible assets includes $5,400 of trademarks, $8,000 of customer relationships and $5,710 of staffing databases with a weighted average useful life of approximately twelve years.

3. REVENUE RECOGNITION

Revenue primarily 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 is recognized when control of these services is transferred to the customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services. Revenue from temporary staffing services is recognized as the services are rendered by clinical and non-clinical healthcare professionals. 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 network of healthcare professionals along with those of third-party subcontractors. Revenue and the related direct costs under MSP arrangements are recorded in accordance with the accounting guidance on reporting revenue gross as a principal versus net as an agent. When the Company uses subcontractors and acts as an agent, revenue is recorded net of the related subcontractor's expense. Revenue from executive search, physician permanent placement, and recruitment process outsourcing services is recognized as the services are rendered. The Company's SaaS-based revenue is recognized ratably over the applicable arrangement's service period.

The Company's customers are primarily billed as services are rendered. Any fees billed in advance of being earned are recorded as deferred revenue. During the three months ended March 31, 2019, the amount recognized as revenue that was previously deferred was not material.

The Company has elected to apply the following practical expedients and optional exemptions related to contract costs and revenue recognition:

- Recognize incremental costs of obtaining a contract with amortization periods of one year or less as expense when incurred. These costs are recorded within selling, general and administrative expenses.
- Recognize revenue in the amount of consideration to which the Company has a right to invoice the customer if that amount corresponds directly with the value to the customer of the Company's services completed to date.
- Exemptions from disclosing the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less, (ii) contracts for which revenue is recognized in the amount of consideration to which the Company has a right to invoice for services performed and (iii) contracts for which variable consideration is allocated entirely to a wholly unsatisfied performance obligation or to a wholly unsatisfied promise to transfer a distinct service that forms part of a single performance obligation.

See Note (5), "Segment Information" for additional information.

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 and three months ended March 31, 2019 and 2018, respectively:

	Three Months Ended March 31, 2019	Three Months Ended March 31, 2018
Net income	$ 34,122	$ 42,681
Net income per common share - basic	$ 0.73	$ 0.89
Net income per common share - diluted	$ 0.71	$ 0.87
Weighted average common shares outstanding - basic	46,784	47,733
Plus dilutive effect of potential common shares	988	1,383
Weighted average common shares outstanding - diluted	47,772	49,116

Share-based awards to purchase 66 and 9 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, 2019 and 2018, respectively, 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:

	Three Months Ended March 31,	
	2019	2018
Revenue		
Nurse and allied solutions	$ 337,029	$ 338,179
Locum tenens solutions	80,490	103,117
Other workforce solutions	114,922	81,193
	$ 532,441	$ 522,489
Segment operating income		
Nurse and allied solutions	$ 47,922	$ 51,805
Locum tenens solutions	5,701	9,958
Other workforce solutions	26,188	19,851
	79,811	81,614
Unallocated corporate overhead	17,863	15,663
Depreciation and amortization	11,710	7,886
Share-based compensation	5,186	2,864
Interest expense, net, and other	5,673	5,335
Income before income taxes	$ 39,379	$ 49,866

The Company offers a comprehensive managed services program, in which the Company manages all or a portion of a client's contingent staffing needs. This service includes both the placement of the Company's own healthcare professionals and the utilization of other staffing agencies to fulfill the client's staffing needs. See additional information in Note (3), "Revenue Recognition." For the three months ended March 31, 2019 and 2018, revenue under the Company's managed services program arrangements comprised approximately 67% and 63% for nurse and allied solutions revenue, 24% and 14% for locum tenens solutions revenue and 7% and 9% for other workforce solutions revenue, respectively.

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

	Nurse and Allied Solutions	Locum Tenens Solutions	Other Workforce Solutions	Total
Balance, January 1, 2019	$ 103,107	$ 19,743	$ 315,656	$ 438,506
Goodwill adjustment for MedPartners acquisition	—	—	(64)	(64)
Goodwill adjustment for PDA and LFT acquisition	—	—	(13)	(13)
Goodwill from Silversheet acquisition	—	—	26,494	26,494
Balance, March 31, 2019	$ 103,107	$ 19,743	$ 342,073	$ 464,923
Accumulated impairment loss as of December 31, 2018 and March 31, 2019	$ 154,444	$ 53,940	$ 6,555	$ 214,939

6. NEW CREDIT AGREEMENT

On February 9, 2018, the Company entered into the New Credit Agreement with several lenders to provide for the $400,000 Senior Credit Facility to replace its then-existing credit facilities. The Senior Credit Facility includes a $50,000 sublimit for the issuance of letters of credit and a $50,000 sublimit for swingline loans. The obligations of the Company under the New Credit Agreement and the Senior Credit Facility are secured by substantially all of the assets of the Company. Borrowings under the Senior Credit Facility bear interest at floating rates, at the Company's option, based upon either LIBOR plus a spread of 1.00% to 2.00% or a base rate plus a spread of 0.00% to 1.00%. The applicable spread is determined quarterly based upon the Company's consolidated net leverage ratio. The Senior Credit Facility is available for working capital, capital expenditures, permitted acquisitions and general corporate purposes. The maturity date of the Senior Credit Facility is February 9, 2023.

In connection with obtaining the New Credit Agreement, the Company incurred $2,331 in fees paid to lenders and other third parties, which were capitalized and are amortized to interest expense over the term of the New Credit Facility. In addition, the Company wrote off $574 of unamortized financing fees during 2018 relating to the prior credit facilities.

7. 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 3—Fair Value Measurement” of the 2018 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, 2019.

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 $61,786 commercial paper issued and outstanding as of March 31, 2019, $10,938 had original maturities greater than three months, which were considered available-for-sale securities. As of December 31, 2018, the Company had $63,243 commercial paper issued and outstanding, of which $15,192 had original maturities greater than three months and were considered available-for-sale securities.

The Company’s contingent consideration liabilities are measured at fair value using a probability-weighted discounted cash flow analysis or a simulation-based methodology for the acquired companies, which are Level 3 inputs. The Company recognizes changes to the fair value of its contingent consideration liabilities in selling, general and administrative expenses in the condensed consolidated statements of comprehensive income.

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, 2019			
	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	$ 2,473	$ 2,473	$ —	$ —
Commercial paper	61,786	—	61,786	—
Acquisition contingent consideration liabilities	(8,500)	—	—	(8,500)

	Fair Value Measurements as of December 31, 2018			
	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	$ 2,461	$ 2,461	$ —	$ —
Commercial paper	63,243	—	63,243	—
Acquisition contingent consideration liabilities	(7,700)	—	—	(7,700)

Level 3 Information

The following tables set 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,	
	2019	2018
Balance as of January 1,	$ (7,700)	$ (2,070)
Settlement of HSG contingent consideration liability for year ended December 31, 2016	—	70
Settlement of HSG contingent consideration liability for year ended December 31, 2017	—	2,000
Change in fair value of contingent consideration liability from Medpartners acquisition	700	—
Contingent consideration liability from Silversheet acquisition on January 30, 2019	(1,500)	—
Balance as of March 31,	$ (8,500)	$ —

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 investments.

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.

The Company’s equity investment represents an investment in a non-controlled corporation without a readily determinable market value. The Company has elected to measure the investment at cost minus impairment, if any, plus or minus changes resulting from observable price changes. The fair value is determined by using quoted prices for identical or similar investments of the same issuer, which are Level 2 inputs. The Company recognizes changes to the fair value of its equity investment in interest expense, net, and other in the condensed consolidated statements of comprehensive income.

The balance of the equity investment classified as Level 2 in the fair value hierarchy was $15,449 as of both March 31, 2019 and December 31, 2018. There were no changes to the fair value of the equity investment recognized during the three months ended March 31, 2019.

There were no triggering events identified, no indication of impairment of the Company’s goodwill, indefinite-lived intangible assets, long-lived assets, or equity investments, and no impairment charges recorded during the three months ended March 31, 2019 and 2018.

Fair Value of Financial Instruments

The Company is required to disclose the fair value of financial instruments for which it is practicable to estimate the value, even though these instruments are not recognized at fair value in the consolidated balance sheets. As of March 31, 2019, the Company’s senior notes have a carrying amount of $325,000 and an estimated fair value of $320,531. As of December 31, 2018, the senior notes had a carrying amount of $325,000 and an estimated fair value of $310,375. Quoted market prices in active markets for identical liabilities based inputs (Level 1) were used to estimate fair value. The senior notes were issued in October 2016 and have a fixed rate of 5.125%. See additional information in “Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (7), Notes Payable and Credit Agreement” of our 2018 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.

8. LEASES

The Company leases certain office facilities, data centers, and equipment under various operating leases. Leases with an initial term of 12 months or less (primarily related to housing arrangements for healthcare professionals on assignment) are not recorded on the balance sheet; the Company recognizes lease expense for these leases on a straight-line basis over the lease term. Most leases include one or more options to renew, with renewal terms that can extend the lease term up to 10 years. Certain leases also include options to terminate the leases within 3 years.

The components of lease expense were as follows:

	Three Months Ended March 31, 2019
Lease Cost	
Operating lease cost	$ 4,536
Short-term lease cost	5,922
Variable and other lease cost	717
Net lease cost	$ 11,175

The maturity of lease liabilities as of March 31, 2019 were as follows:

	Operating Leases
Years ending December 31,	
2019 (excluding the three months ended March 31, 2019)	$ 13,091
2020	17,698
2021	18,183
2022	18,057
2023	17,795
Thereafter	50,318
Total lease payments	$ 135,142
Less imputed interest	(22,855)
Present value of lease liabilities	$ 112,287

Supplemental cash flow information related to leases was as follows:

	Three Months Ended March 31, 2019
Cash paid for amounts included in the measurement of operating lease liabilities (operating cash flows)	$ 4,338
Operating lease right-of-use assets obtained in exchange for lease obligations	$ —
Weighted average remaining lease term	7 years
Weighted average discount rate	4.8%

Future minimum lease payments under noncancelable operating leases (with initial or remaining lease terms in excess of one year) as of December 31, 2018 were as follows:

	Operating Leases
Years ending December 31,	
2019	$ 18,218
2020	18,149
2021	18,349
2022	18,144
2023	17,990
Thereafter	50,436
Total minimum lease payments	$ 141,286

Rent expense under operating leases (with initial lease terms in excess of one year) was $21,402 for the year ended December 31, 2018.

9. 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, 2019, the Company is no longer subject to state, local or foreign examinations by tax authorities for tax years before 2009 and the Company is no longer subject to U.S. federal income or payroll tax examinations for tax years before 2015. The IRS conducted, completed, and settled audits of the Company's 2011-2012 and 2013 tax years related to income and employment tax issues for the Company's treatment of certain non-taxable per diem allowances and travel benefits in November 2017 and May 2018, respectively.

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.

10. COMMITMENTS AND CONTINGENCIES: LEGAL PROCEEDINGS

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, compensation, contract, competitor disputes and employee-related matters and include individual and class action lawsuits, as well as inquiries and investigations by governmental agencies regarding the Company's employment and compensation 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 under California and Federal law. Specifically, among other claims in these lawsuits, it is alleged that employees were not afforded required breaks or compensated for all time worked, employees' wage statements are not sufficiently clear, and certain expense reimbursements should be included in the regular rate of pay for purposes of calculating overtime rates. The Company believes that its wage and hour practices conform with law in all material respects, but litigation is always subject to inherent uncertainty. As a result, the Company entered into settlement agreements relating to claims in two wage and hour class actions during September and October 2018. The settlement agreements are subject to court approval, which is considered probable. The Company recorded increases to its accruals established in connection with these matters amounting to $12,140 during the third quarter of 2018.

With regard to outstanding loss contingencies as of March 31, 2019, which are included in accounts payable and accrued expenses in the condensed 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.

11. BALANCE SHEET DETAILS

The consolidated balance sheets detail is as follows as of March 31, 2019 and December 31, 2018:

	March 31, 2019	December 31, 2018
Other current assets:		
Restricted cash and cash equivalents	$ 16,522	$ 26,329
Income tax receivable	—	799
Other	14,687	12,759
Other current assets	$ 31,209	$ 39,887
Fixed assets:		
Furniture and equipment	$ 36,313	$ 34,211
Software	168,030	162,006
Leasehold improvements	8,771	8,615
	213,114	204,832
Accumulated depreciation	(119,489)	(114,413)
Fixed assets, net	$ 93,625	$ 90,419
Other assets:		
Life insurance cash surrender value	$ 64,500	$ 55,028
Other	41,090	41,124
Other assets	$ 105,590	$ 96,152
Accounts payable and accrued expenses:		
Trade accounts payable	$ 23,203	$ 31,537
Subcontractor payable	55,575	50,892
Accrued expenses	37,831	30,236
Loss contingencies	24,578	24,549
Professional liability reserve	7,961	8,633
Other	4,418	3,756
Accounts payable and accrued expenses	$ 153,566	$ 149,603
Accrued compensation and benefits:		
Accrued payroll	$ 39,933	$ 42,571
Accrued bonuses	13,546	18,021
Accrued travel expense	2,684	3,417
Health insurance reserve	3,582	3,559
Workers compensation reserve	8,378	7,817
Deferred compensation	65,820	55,720
Other	1,849	3,954
Accrued compensation and benefits	$ 135,792	$ 135,059
Other current liabilities:		
Acquisition related liabilities	$ 7,668	$ 7,918
Other	12,444	2,325
Other current liabilities	$ 20,112	$ 10,243
Other long-term liabilities:		
Workers compensation reserve	$ 18,953	$ 19,454
Professional liability reserve	38,058	38,324
Deferred rent	—	15,012
Unrecognized tax benefits	4,916	4,862
Deferred revenue	769	865
Other	1,050	11
Other long-term liabilities	$ 63,746	$ 78,528

12. SUBSEQUENT EVENTS

On April 29, 2019, the Company entered into an agreement to acquire Advanced Medical Personnel Services, Inc. (“Advanced”) for $200,000 in cash and tiered contingent consideration of up to $20,000. Advanced is a national healthcare staffing company that specializes in placing therapists and nurses across multiple settings, including hospitals, schools, clinics, skilled nursing facilities, and home health. The closing of the acquisition is contingent upon satisfaction of certain conditions and, upon consummation, Advanced will become a wholly owned subsidiary of the Company.

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, 2018, filed with the Securities and Exchange Commission (“SEC”) on February 21, 2019 (“2018 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,” workforce consulting services, predictive modeling, staff scheduling, mid-revenue cycle solutions and the placement of physicians, nurses, allied healthcare professionals and healthcare leaders 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.

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, 2019, we recorded revenue of $532.4 million, as compared to $522.5 million for the same period last year.

Nurse and allied solutions segment revenue comprised 63% and 65% of total consolidated revenue for the three months ended March 31, 2019 and 2018, 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 segment revenue comprised 15% and 20% of total consolidated revenue for the three months ended March 31, 2019 and 2018, 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 advanced practice providers, with clients on a temporary basis as independent contractors. These locum tenens providers are used by our 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 to one year.

Other workforce solutions segment revenue comprised 22% and 15% of total consolidated revenue for the three months ended March 31, 2019 and 2018, 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) mid-revenue cycle management and related consulting services, (7) workforce optimization services that include consulting, data analytics, predictive modeling, and SaaS-based scheduling technology, and (8) credentialing services.

As part of our long-term growth strategy to add value for our clients, healthcare professionals, and shareholders, on January 30, 2019, April 6, 2018 and April 9, 2018, we acquired Silversheet, Phillips DiPisa and Leaders For Today ("PDA" and "LFT") and MedPartners HIM ("MedPartners"), respectively. Silversheet provides innovative credentialing software solutions to clinicians and healthcare enterprises. PDA and LFT offer a range of leadership staffing and permanent placement solutions for the healthcare industry. MedPartners provides mid-revenue cycle management solutions, including case management, clinical documentation improvement, medical coding and registry services to hospitals and physician medical groups nationwide. See additional information in the accompanying Note (2), "Acquisitions."

Recent Trends

Demand for our temporary and permanent placement staffing services is driven in part by U.S. economic and labor trends. The U.S. Bureau of Labor Statistics' survey data reflects near record levels of healthcare job openings and quits. We view this data, along with a nearly 20-year-low unemployment rate and continued economic growth as positive trends for the healthcare staffing industry. The low unemployment rate has led to some wage growth to attract healthcare professionals.

The increasing consolidation within the healthcare industry is creating larger, more sophisticated and complex health systems that we believe has elevated the need for strategic workforce solutions capable of partnering to solve their recruiting, staffing and workforce optimization requirements. Given the increasing need for partners capable of offering a comprehensive workforce solution, we continue to see the benefits of our workforce solutions strategy, particularly with our MSPs. As a result of our ongoing focus on these strategic MSP relationships, the percentage of our staffing revenue derived from our MSP clients continues to increase, and we believe these strategic, longer-term relationships will continue to comprise a greater proportion of revenue in our staffing operating segments.

In our nurse and allied solutions segment, overall demand is strong, although our financial results have been impacted by fewer contingent nurse staffing needs from a large client. Our allied staffing business continues its steady growth, with favorable trends across most modalities.

In our locum tenens solutions segment, we implemented operating model changes together with new front and back office technologies over the last 18 months. Although these changes are expected to have a long-term positive impact on our growth and profitability, they have been significantly more disruptive than anticipated to our current sales productivity and revenue. Although demand for hospitalists and emergency room physicians has significantly declined over the past 12 months, the overall demand environment for locum tenens has been relatively stable and client interest in managed service programs is increasing. Approximately 20% of our revenue in this segment is now derived through managed service programs.

In our other workforce solutions segment, our acquisitions in the mid-revenue cycle, interim leadership and executive search businesses continue to contribute to the segment's growth. Our businesses in these markets are expected to comprise a bigger portion of our organic profitability growth in 2019.

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 the Accounting Standards Update ("ASU") 2016-02 described in Item 1. Condensed Consolidated Financial Statements—Note 1, "Basis of Presentation," as compared to the critical accounting policies and estimates described in our 2018 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 PDA, LFT, MedPartners and Silversheet acquisitions impact the comparability of the results between the three months ended March 31, 2019 and 2018 depending on the timing of the applicable acquisition. Our historical results are not necessarily indicative of our future results of operations.

	Three Months Ended March 31,	
	2019	2018
Unaudited Condensed Consolidated Statements of Operations:		
Revenue	100.0%	100.0%
Cost of revenue	66.8	67.9
Gross profit	33.2	32.1
Selling, general and administrative	22.5	20.0
Depreciation and amortization	2.2	1.5
Income from operations	8.5	10.6
Interest expense, net, and other	1.1	1.1
Income before income taxes	7.4	9.5
Income tax expense	1.0	1.3
Net income	6.4%	8.2%

Comparison of Results for the Three Months Ended March 31, 2019 to the Three Months Ended March 31, 2018

Revenue. Revenue increased 2% to $532.4 million for the three months ended March 31, 2019 from $522.5 million for the same period in 2018, primarily attributable to additional revenue of $34.3 million from our PDA, LFT, MedPartners and Silversheet acquisitions. Excluding the additional revenue from acquisitions, revenue decreased 5%.

Nurse and allied solutions segment revenue decreased less than 1% to $337.0 million for the three months ended March 31, 2019 from $338.2 million for the same period in 2018. The $1.2 million decrease was primarily attributable to a 1% decrease in the average bill rate, partially offset by a slight increase in the average number of healthcare professionals on assignment during the three months ended March 31, 2019.

Locum tenens solutions segment revenue decreased 22% to $80.5 million for the three months ended March 31, 2019 from $103.1 million for the same period in 2018. The $22.6 million decrease was primarily attributable to a 23% decrease in the number of days filled during the three months ended March 31, 2019, partially offset by a 2% increase in the revenue per day filled.

Other workforce solutions segment revenue increased 42% to $114.9 million for the three months ended March 31, 2019 from $81.2 million for the same period in 2018. Of the $33.7 million increase, $34.3 million was attributable to additional revenue in connection with the PDA, LFT, MedPartners and Silversheet acquisitions, partially offset by a decline in our interim leadership and mid-revenue cycle management businesses during the three months ended March 31, 2019.

Gross Profit. Gross profit increased 5% to $176.8 million for the three months ended March 31, 2019 from $167.8 million for the same period in 2018, representing gross margins of 33.2% and 32.1%, respectively. The gross margin for the three months ended March 31, 2019 was positively impacted by higher-than-average gross margins from PDA, LFT, MedPartners and Silversheet and a change in our physician permanent placement business model that prompted a $4.3 million classification of certain recruiter compensation expenses to SG&A (as defined below) that was previously in cost of revenue. Net of these factors, our year-over-year gross margin declined slightly primarily due to a lower margin in our locum tenens solutions segment. Gross margin by reportable segment for the three months ended March 31, 2019 and 2018 was 27.9% and 28.0% for nurse and allied solutions, 27.7% and 28.7% for locum tenens solutions, and 52.6% and 53.6% for other workforce solutions, respectively. The year-over-year gross margin decline in the locum tenens solutions segment was driven by lower perm conversion fees and lower bill-to-pay spreads. The other workforce solutions segment decrease during the three months ended March 31, 2019 was primarily due to the change in sales mix resulting from the additions of PDA, LFT and MedPartners.

Selling, General and Administrative Expenses. Selling, general and administrative ("SG&A") expenses were $120.0 million, representing 22.5% of revenue, for the three months ended March 31, 2019, as compared to $104.7 million, representing 20.0% of revenue, for the same period in 2018. The increase in SG&A expenses was primarily due to $8.7 million of additional SG&A expenses from the PDA, LFT, MedPartners and Silversheet acquisitions, the above-mentioned $4.3 million classification of certain recruiter compensation expenses to SG&A that was previously in cost of revenue, a $3.5 million increase in acquisition, integration and extraordinary legal expenses, and other expenses associated with our revenue 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,	
	2019	**2018**
Nurse and allied solutions	$ 46,181	$ 42,985
Locum tenens solutions	16,562	19,591
Other workforce solutions	34,205	23,634
Unallocated corporate overhead	17,863	15,663
Share-based compensation	5,186	2,864
	$ 119,997	$ 104,737

Depreciation and Amortization Expenses. Amortization expense increased 52% to $6.7 million for the three months ended March 31, 2019 from $4.4 million for the same period in 2018, with the increase attributable to additional amortization expenses related to the intangible assets acquired in the PDA, LFT, MedPartners and Silversheet acquisitions. Depreciation expense increased 46% to $5.1 million for the three months ended March 31, 2019 from $3.5 million for the same period in 2018, primarily attributable to 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 $5.7 million during the three months ended March 31, 2019 as compared to $5.3 million for the same period in 2018. The increase is primarily due to higher average debt outstanding balance for the three months ended March 31, 2019, which resulted from borrowings used to finance the MedPartners and Silversheet acquisitions.

Income Tax Expense. Income tax expense was $5.3 million for the three months ended March 31, 2019 as compared to $7.2 million for the same period in 2018, reflecting effective income tax rates of 13% and 14% for the three months ended March 31, 2019 and 2018, respectively. The decrease in the effective income tax rate was primarily attributable to the Company's discrete tax benefits of $6.4 million and $7.1 million in relation to income before income taxes of $39.4 million and $49.9 million for the three months ended March 31, 2019 and 2018, respectively. We currently estimate our annual effective tax rate to be approximately 26% for 2019. The 13% effective tax rate for the three months ended March 31, 2019 differs from our estimated annual effective tax rate of 26% primarily due to a discrete tax benefit of $4.6 million during the three months ended March 31, 2019 relating to equity awards vested and exercised and a tax benefit of $1.5 million recorded by the Company during the three months ended March 31, 2019 relating to fair value changes in the cash surrender value of its Company Owned Life Insurance.

Liquidity and Capital Resources

In summary, our cash flows were:

	(In Thousands) Three Months Ended March 31,	
	2019	2018
Net cash provided by operating activities	$ 36,214	$ 59,735
Net cash used in investing activities	(36,248)	(9,613)
Net cash provided by (used in) financing activities	1,790	(14,970)

Historically, our primary liquidity requirements have been for acquisitions, working capital requirements, and debt service under our credit facilities and the Notes. We have funded these requirements through internally generated cash flow and funds borrowed under our credit facilities. On February 9, 2018, we replaced our then-existing credit agreement with our New Credit Agreement (as defined below). As of March 31, 2019, $150 million was drawn with $234.7 million of available credit under the Senior Credit Facility (as defined below) and 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 New Credit Agreement, under which our Senior Credit Facility is governed, and the Notes in "Item 8. Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (7), Notes Payable and Credit Agreement" of our 2018 Annual Report on Form 10-K.

We believe that cash generated from operations and available borrowings under our Senior Credit Facility will be sufficient to fund our operations, including expected capital expenditures, for the next 12 months and beyond. We intend to finance potential future acquisitions with cash provided from operations, borrowings under our Senior Credit Facility or other borrowings under our New Credit Agreement, 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, 2019 was $36.2 million, compared to $59.7 million for the same period in 2018. The decrease in net cash provided by operating activities was primarily attributable to (1) declined operating results, (2) increases in accounts receivable and subcontractor receivables, and (3) increases in income tax receivable, prepaid expenses and other current assets. The overall decrease was partially offset by increases in accounts payable and accrued expenses, accrued compensation and benefits and other liabilities between periods due to timing of payments. Our Days Sales Outstanding ("DSO") was 62 days at March 31, 2019, 64 days at December 31, 2018, and 58 days at March 31, 2018.

Investing Activities

Net cash used in investing activities for the three months ended March 31, 2019 was $36.2 million, compared to $9.6 million for the same period in 2018. The increase was primarily due to $29.5 million used for acquisitions during the three months ended March 31, 2019, as compared to no cash paid for acquisitions during the three months ended March 31, 2018. The increase was partially offset by net proceeds of restricted investments related to our captive insurance company of $4.3 million during the three months ended March 31, 2019, as compared to $0.8 million during the three months ended March 31, 2018. See additional information in the accompanying Note (2), "Acquisitions." Capital expenditures were $7.4 million and $5.7 million for the three months ended March 31, 2019 and 2018, respectively.

Financing Activities

Net cash provided by financing activities during the three months ended March 31, 2019 was $1.8 million, primarily due to borrowings of $30.0 million under the Senior Credit Facility (as defined below), partially offset by (1) $17.9 million paid in connection with the repurchase of our common stock and (2) $10.3 million in cash paid for shares withheld for payroll taxes resulting from the vesting of employee equity awards. Net cash used in financing activities during the three months ended March 31, 2018 was $15.0 million, due to (1) $2.3 million payment of financing costs in connection with the new credit agreement, (2) $1.7 million for acquisition contingent consideration earn-out payments, and (3) $10.9 million in cash paid for shares withheld for payroll taxes resulting from the vesting of employee equity awards.

New Credit Agreement

On February 9, 2018, we entered into a credit agreement (the “New Credit Agreement”) with several lenders to provide for a $400 million secured revolving credit facility (the “Senior Credit Facility”) to replace our then-existing Credit Agreement. The Senior Credit Facility includes a $50 million sublimit for the issuance of letters of credit and a $50 million sublimit for swingline loans. Our obligations under the New Credit Agreement and the Senior Credit Facility are secured by substantially all of our assets. Borrowings under the Senior Credit Facility bear interest at floating rates, at our option, based upon either LIBOR plus a spread of 1.00% to 2.00% or a base rate plus a spread of 0.00% to 1.00%. The applicable spread is determined quarterly based upon our consolidated net leverage ratio. The Senior Credit Facility is available for working capital, capital expenditures, permitted acquisitions and general corporate purposes. The maturity date of the Senior Credit Facility is February 9, 2023.

In connection with obtaining the New Credit Agreement, we incurred $2.3 million in fees paid to lenders and other third parties, which were capitalized and are amortized to interest expense over the term of the Senior Credit Facility. In addition, we wrote off $0.6 million of unamortized financing fees during the three months ended March 31, 2019 related to our prior credit facilities. To help finance the MedPartners acquisition, we borrowed $195.0 million from the Senior Credit Facility in April 2018. We paid down $45 million during 2018. The acquisition is more fully described in Note (2) to the accompanying Condensed Consolidated Financial Statements, “Acquisitions.”

Letters of Credit

At March 31, 2019, we maintained outstanding standby letters of credit totaling $17.6 million as collateral in relation to our workers’ compensation insurance agreements and a corporate office lease agreement. Of the $17.6 million of outstanding letters of credit, we have collateralized $2.4 million in cash and cash equivalents and the remaining amounts are collateralized by the Senior Credit Facility. Outstanding standby letters of credit at December 31, 2018 totaled $17.6 million.

Off-Balance Sheet Arrangements

At March 31, 2019, 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 during the three months ended March 31, 2019, other than the borrowings under the New Credit Agreement described in the accompanying Note (2), “Acquisitions,” 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 2018 Annual Report.

Recent Accounting Pronouncements

In June 2016, the FASB issued ASU 2016-13, “Measurement of Credit Losses on Financial Instruments.” The standard introduces new accounting models for determining and recognizing credit losses on certain financial instruments based on an estimate of current expected credit losses and is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. We will adopt this standard in the first quarter of 2020 and are currently evaluating the impact on our consolidated financial statements.

In January 2017, the FASB issued ASU 2017-04, “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 timing of adopting this standard, we do not expect the adoption to have a material impact on our consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, “Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement.” The standard modifies the current disclosure requirements on fair value measurements and is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019. We will adopt this standard in the first quarter of 2020 and are currently evaluating the effect that adopting it will have on our disclosures.

In August 2018, the FASB issued ASU 2018-15, “Customer’s Accounting for Implementation Costs Incurred in a Cloud Computing Arrangement That Is a Service Contract.” The standard aligns the requirements for capitalizing implementation costs incurred in a cloud computing arrangement service contract with the requirements for capitalizing implementation costs incurred to develop or obtain internal-use software. This standard is effective on a prospective or retrospective basis for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019, with early adoption permitted. We will adopt this standard in the first quarter of 2020 and are currently evaluating the effect that adopting it will have 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 2018 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;
- 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 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;
- the ability of our clients to increase the efficiency and effectiveness of their staffing management and recruiting efforts, through predictive analytics, online recruiting or otherwise, which may negatively affect our revenue, results of operations, and cash flows;
- the repeal or significant erosion of the Patient Protection and Affordable Care Act without a corresponding replacement 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 and compensation 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, violations of employment, privacy and wage regulations and other legal theories of liability asserted against us, which could subject us to substantial liabilities;
- any technology disruptions or our inability to implement new infrastructure and technology systems effectively may adversely affect our operating results and ability to manage our business effectively;
- any failure to further develop and evolve our current workforce solutions technology offerings and capabilities, which may harm our business;
- disruption to or failures of our SaaS-based technology 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;
- security breaches and cybersecurity incidents that could compromise our information and systems, which could adversely affect our business operations and reputation and could subject us to substantial liabilities;
- any inability on our part to recruit and retain sufficient quality healthcare professionals at reasonable costs, which could increase our operating costs and negatively affect our business and profitability;
- any inability on our part to quickly and properly credential and match quality healthcare professionals with suitable placements, which may adversely affect demand for our services;

- any inability on our part to continue to attract, develop and retain our sales and operations team members, which may deteriorate our operations;
- our increasing dependence on third parties for the execution of certain critical functions;
- the loss of our key officers and management personnel, which could adversely affect our business and operating results;
- any inability to consummate and effectively incorporate acquisitions into our business operations, which may adversely affect our long-term growth and our results of operations;
- businesses we acquire may have liabilities or adverse operating issues, which could harm our operating results;
- any increase to our business and operating risks as we develop new services and clients, enter new lines of business, and focus more of our business on providing a full range of client solutions;
- any inability on our part to maintain our positive brand awareness and identity, which may adversely affect our results of operation;
- the expansion of social media platforms presents new risks and challenges, which could cause damage to our brand reputation;
- any recognition of an impairment to the substantial amount of goodwill or indefinite-lived intangibles on our balance sheet;
- our indebtedness, which could adversely affect our ability to raise additional capital to fund operations, limit our ability to react to changes in the economy or our industry, and expose us to interest rate risk to the extent of any variable rate debt;
- the terms of our debt instruments that impose restrictions on us that may affect our ability to successfully operate our business; and
- the effect of significant adverse adjustments to our insurance-related accruals on our balance sheet, which could decrease our earnings or increase our losses and negatively impact our cash flows.

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, 2019, our primary exposure to market risk was interest rate risk associated with our variable interest debt instruments. 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, 2019. During the three months ended March 31, 2019, we generated substantially 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, 2019 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, 2019 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 2018 Annual Report.

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

From time to time, we may repurchase our common stock in the open market pursuant to programs approved by our Board. We may repurchase our common stock for a variety of reasons, such as acquiring shares to offset dilution related to equity-based incentives and optimizing our capital structure. On November 1, 2016, our Board authorized us to repurchase up to $150.0 million of our outstanding common stock in the open market. Under the repurchase program announced on November 1, 2016 (the "Company Repurchase Program"), share purchases may be made from time to time beginning in the fourth quarter of 2016, depending on prevailing market conditions and other considerations. The Company Repurchase Program has no expiration date and may be discontinued or suspended at any time.

During the first quarter of 2019, we purchased 378,317 shares of common stock at an average price of $47.37 per share, resulting in an aggregate purchase price of $17.9 million. The following table presents the detail of shares repurchased for the first quarter of 2019. All share repurchases reflected in the table below were made under the Company Repurchase Program, which is the sole repurchase program of the Company currently in effect.

Period	Total Number of Shares (or Units) Purchased	Average Price Paid per Share (or Unit)	Total Number of Shares (or Units) Purchased as Part of Publicly Announced Program	Maximum Dollar Value of Shares (or Units) that May Yet Be Purchased Under the Program
February 1 - 28, 2019	22,900	$50.50	22,900	$48,405,129
March 1 - 31, 2019	355,417	$47.16	355,417	$31,631,647
Total	378,317	$47.37	378,317	$31,631,647

Item 3. *Defaults Upon Senior Securities*

None.

Item 4. *Mine Safety Disclosures*

Not applicable.

Item 5. *Other Information*

None.

Item 6. *Exhibits*

Exhibit Number	Description
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.*
10.1	Form of AMN Healthcare Equity Plan Performance Restricted Stock Unit Agreement - Executive (Adjusted EBITDA Margin) (Management Contract or Compensatory Plan or Arrangement).*
10.2	Form of AMN Healthcare Equity Plan Performance Restricted Stock Unit Agreement - Executive (TSR) (Management Contract or Compensatory Plan or Arrangement).*
10.3	Form of AMN Healthcare Equity Plan Performance Restricted Stock Unit Agreement - Non-Executive (Adjusted EBITDA Margin) (Management Contract or Compensatory Plan or Arrangement).*
10.4	Form of AMN Healthcare Equity Plan Performance Restricted Stock Unit Agreement - Non-Executive (TSR) (Management Contract or Compensatory Plan or Arrangement).*
10.5	Form of AMN Healthcare 2017 Equity Plan Restricted Stock Unit Agreement - Non-Executive (Management Contract or Compensatory Plan or Arrangement).*
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.*

* 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 3, 2019

AMN HEALTHCARE SERVICES, INC.

/S/ SUSAN R. SALKA

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

Date: May 3, 2019

/S/ BRIAN M. SCOTT

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
(ADJUSTED EBITDA MARGIN)

THIS PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT (the "Agreement"), made this ______________, 2019, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and ____________________ (the "Grantee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare 2017 Equity Plan, (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, integration expenses, debt refinancing and other corporate reorganizational costs, incentive awards recorded in its financial books and records, including long-term incentive awards and annual incentive awards, extraordinary legal costs (including damages, settlements and attorney's fees), changes in GAAP treatment of revenue/expenses, discontinued operations, goodwill and other identified intangible asset impairments and expenses resulting from severance arrangements with terminated employees, and net income (loss) from discontinued operations, net of tax, and the impact of any additional extraordinary items that may be identified by the Committee in its sole discretion.

(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) "Cause" means (i) the definition of "cause" provided in the employment or severance agreement in effect between the Grantee and the Company or any Affiliate or (ii) if no such agreement exists, then the occurrence of any of the following, as determined by the Company in its reasonable discretion: (A) Grantee's failure to perform in any material respect his or her duties as an employee of the Company, (B) violation of the Company's Code of Business Conduct, Code of Ethics for Senior Financial Officers and Principal Executive Officer (if applicable), and/or Securities Trading Policy, (C) the engaging by the Grantee in willful misconduct or gross negligence which is injurious to the Company or any of its Affiliates, monetarily or otherwise, (D) the commission by Grantee of an act of fraud or embezzlement against the Company or any of its Affiliates, (E) the conviction of the Grantee of a crime which constitutes a felony or any lesser crime that involves Company property or a pleading of guilty or nolo contendere with respect to a crime which constitutes a felony or any lesser crime that involves Company property, or (F) violation of any of the restrictive covenants in Section 9 hereof.

(e) "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: (A) 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 (B) 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.

(f) "Change in Control Termination" means the occurrence of either of the following events during the Protection Period: (i) the Company's termination of the Grantee's Service without Cause (other than due to death or Disability) or (ii) the Grantee's termination of his or her Service with Good Reason at a time when the Grantee could not have been terminated for Cause.

(g) "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. Notwithstanding the foregoing, the Committee may treat periods of less than full time employment, in whole or in part, as Credited Service in its sole discretion.

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

(i) "Good Reason" means (i) the definition of "good reason" provided in the employment or severance agreement in effect between the Grantee and the Company or any Affiliate or (ii) if no such agreement exists, then the occurrence of either of the following without the Grantee's express written consent: (A) a material reduction in the Grantee's base salary compared to the base salary in effect on the date immediately prior to the beginning of the Protection Period or (B) relocation of the Grantee's principal place of employment to a place more than 50 miles from its location as of the date immediately prior to the beginning of the Protection Period.

(j) "Grant Date" means ____________ ___, 2019, which is the date the Committee authorized this PRSU grant.

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

(l) "Performance Period" means January 1, 2021 through December 31, 2021.

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

(n) "Protection Period" means the period beginning on the date that is six (6) months before the effective date of a Change in Control and ending on the second anniversary of the effective date of the Change in Control.

(o) "Retirement" means termination of an employee's Service (other than for Cause or due to a Change in Control Termination) on or after attainment of age 55 with at least 15 full years of aggregate Service. For clarity, only twelve (12) months of continuous Service shall count as a full year of Service for purposes of determining if an employee is eligible for Retirement.

(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) "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 Grant Date.

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. <u>Termination of Service</u>.

(a) Except as provided below, if the Grantee's Service terminates for any reason prior to the Settlement Date, then all unvested PRSUs (or all unvested Actual PRSUs, as applicable) shall be forfeited.

(b) If the Grantee's Service terminates due to Retirement at any time after 6 (six) months from the Grant Date but before the Settlement Date, then the Grantee shall continue to vest in all of the Grantee's unvested PRSUs (or all unvested Actual PRSUs, as applicable) according to the terms of this Agreement as though the Grantee's Service had not terminated. For clarity, the Grantee's Actual PRSUs shall be determined at the end of the Performance Period according to the Adjusted EBITDA Margin Table based on actual performance, and such Actual PRSUs shall be settled at the time specified in Section 4 hereof.

(c) If the Grantee's Service terminates due to a Change in Control Termination after the Grant Date but before the end of the Performance Period, then on the date of the Grantee's termination (or, if later, on the effective date of the Change in Control), 100% of the Target Number of PRSUs shall become immediately vested, be considered Actual PRSUs and settled according to Section 4 hereof. If the Grantee's Service terminates due to a Change in Control Termination after the end of the Performance Period but before the Settlement Date, then on the date of the Grantee's termination (or, if later, on the effective date of the Change in Control), all of the Grantee's Actual PRSUs shall become immediately vested and settled according to Section 4 hereof.

(d) In the event of the Grantee's death or if the Committee's determines, in its sole discretion, that the Grantee has become Disabled, in each case, after the Grant Date and prior to the end of the Performance Period), 100% of the Target Number of PRSUs shall become immediately vested, be considered Actual PRSUs 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 end of the Performance Period and prior to (or on) the Settlement Date, the Grantee shall be entitled to receive shares of Stock underlying all vested Actual PRSUs, and regardless of the Grantee's deferral election, 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).

(e) If the Grantee's employment is terminated due to a reason specified in (b)-(d) above but, after such termination, the Committee determines that it would have had Cause to terminate the Grantee's Service if all the relevant facts had been known to the Committee as of the date of the Grantee's termination, then all PRSUs and Actual PRSUs shall immediately be forfeited and cancelled, whether or not vested, as of the date of the Committee's determination.

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, (II) clinical workforce management services, or (III) healthcare workforce technology platforms, 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. **Successor**. 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:

<u>SCHEDULE I</u>

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
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT
(TOTAL SHAREHOLDER RETURN)

THIS PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT (the "Agreement"), made this _____________ ___, 2019 by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and ________________ (the "Grantee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare 2017 Equity Plan, (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) "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, 2019 and the last day of the Closing Average Period, as the case may be.

(b) "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.

(c) "Cause" means (i) the definition of "cause" provided in the employment or severance agreement in effect between the Grantee and the Company or any Affiliate or (ii) if no such agreement exists, then the occurrence of any of the following: (A) Grantee's failure to perform in any material respect his or her duties as an employee of the Company, (B) Grantee's violation of the Company's Code of Business Conduct, Code of Ethics for Senior Financial Officers and Principal Executive Officer, and/or Securities Trading Policy, (C) the engaging by Grantee in willful misconduct or gross negligence which is injurious to the Company or any of its affiliates, monetarily or otherwise, (D) the commission by the Grantee of an act of fraud or embezzlement against the Company or any of its affiliates, (E) the conviction of the Grantee of a crime which constitutes a felony or any lesser crime that involves Company property or a pleading of guilty or nolo contendere with respect to a crime which constitutes a felony or any lesser crime that involves Company property, or (F) violation of any of the restrictive covenants in Section 9 hereof.

(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: (A) 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 (B) 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) "Change in Control Termination" means the occurrence of either of the following events during the Protection Period: (i) the Company's termination of the Grantee's Service without Cause (other than due to death or Disability) or (ii) the Grantee's termination of his or her Service with Good Reason at a time when the Grantee could not have been terminated for Cause.

(f) "Closing Average Period" means the ninety (90)-day period ending on the last day of the Performance Period.

(g) "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.

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

(i) "Good Reason" means (i) the definition of "good reason" provided in the employment or severance agreement in effect between the Grantee and the Company or any Affiliate or (ii) if no such agreement exists, then the occurrence of any of the following events without the Grantee's express written consent: (A) a material reduction in the Grantee's base salary or target annual bonus compensation as in effect on the date immediately prior to a Change in Control, (B) the Company's assignment to the Grantee without the Grantee's consent of duties materially and adversely inconsistent with the Grantee's position, duties or responsibilities as in effect immediately before the Change in Control, including, but not limited to, any material reduction in such position, duties or responsibilities, or a change in the Grantee's title or office, as then in effect, or any removal of the Grantee from any of such positions, titles or offices, or (C) the Company's relocation of the Grantee's principal place of employment to a locale that is more than fifty (50) miles from the Grantee's principal place of employment immediately prior to the Change in Control.

(j) "Grant Date" means __________ ___, 2019, which is the date the Committee authorized this PRSU grant.

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

(l) "Opening Average Period" means the ninety (90)-day period ended on December 31, 2018.

(m) "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.

(n) "Peer Companies" means the companies included in the Russell 2000 on December 31, 2017. 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.

(o) "Performance Period" means January 1, 2019 through December 31, 2021.

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

(q) "Protection Period" means the period beginning on the date that is six (6) months before the effective date of a Change in Control and ending on the second anniversary of the effective date of the Change in Control.

(r) "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)).

(s) "Retirement" means termination of an employee's Service (other than for Cause or due to a Change in Control Termination) on or after attainment of age 55 with at least 15 full years of aggregate Service. For clarity, only twelve (12) months of continuous Service shall count as a full year of Service for purposes of determining if an employee is eligible for Retirement.

(t) "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).

(u) "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).

(v) "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 PRSUs shall only vest on the Vesting Date if the Grantee has provided Service to the Company continuously from the Grant Date through 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 end of 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. <u>Termination of Service</u>.

(a) Except as provided below, if the Grantee's Service terminates for any reason prior to the Settlement Date, then all unvested PRSUs shall be forfeited.

(b) If the Grantee's Service terminates due to Retirement at any time after six (6) months from the Grant Date but before the Settlement Date, then the Grantee shall continue to vest in all of the Grantee's unvested PRSUs according to the terms of this Agreement as though the Grantee's Service had not terminated. For clarity, the actual number of PRSUs that shall vest shall be determined at the end of the Performance Period according to the Vesting Table based on actual performance, and such vested PRSUs shall be settled at the time specified in Section 4 hereof.

(c) If the Grantee's Service terminates due to a Change in Control Termination after the Grant Date but before the end of the Performance Period, then on the date of the Grantee's termination (or, if later, on the effective date of the Change in Control), 100% of the target number of PRSUs shall become immediately vested and settled according to Section 4 hereof, and any PRSUs in excess of the target number shall be forfeited. If the Grantee's Service terminates due to a Change in Control Termination after the end of the Performance Period but before the Settlement Date, then on the date of the Grantee's termination (or, if later, on the effective date of the Change in Control), the number of PRSUs that were earned based on actual performance according to the Vesting Table shall become immediately vested and settled according to Section 4 hereof.

(d) In the event of the Grantee's death or if the Committee determines, in its sole discretion, that the Grantee has become Disabled, in each case, after the Grant Date and prior to the end of the Performance Period, (i) 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 and (ii) any PRSUs in excess of the target number shall be forfeited. In the event the Grantee dies or becomes Disabled (as determined by the Committee in its sole discretion) on or after the end of the Performance Period and prior to (or on) the Settlement Date, the Grantee shall be entitled to receive shares of Stock underlying all vested PRSUs, and regardless of the Grantee's deferral election, 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).

(e) If the Grantee's employment is terminated due to a reason specified in (b)-(d) above but, after such termination, the Committee determines that it would have had Cause to terminate the Grantee's Service if all the relevant facts had been known to the Committee as of the date of the Grantee's termination, then all PRSUs and Actual PRSUs shall immediately be forfeited and cancelled, whether or not vested, as of the date of the Committee's determination.

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, (II) clinical workforce management services, or (III) healthcare workforce technology platforms, 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. Successor. 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:

<u>SCHEDULE I</u>

VESTING TABLE

Exhibit 10.3
Non-Executive Form

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

THIS PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT (the "Agreement"), made this ______________, 2019, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and ____________________ (the "Grantee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare 2017 Equity Plan, (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, integration expenses, debt refinancing and other corporate reorganizational costs, incentive awards recorded in its financial books and records, including long-term incentive awards and annual incentive awards, extraordinary legal costs (including damages, settlements and attorney's fees), changes in GAAP treatment of revenue/expenses, discontinued operations, goodwill and other identified intangible asset impairments and expenses resulting from severance arrangements with terminated employees, and net income (loss) from discontinued operations, net of tax, and the impact of any additional extraordinary items that may be identified by the Committee in its sole discretion.

(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) "Cause" means (i) the definition of "cause" means any of the following: (A) Grantee's failure to perform in any material respect his or her duties as an employee of the Company, (B) violation of the Company's Code of Business Conduct, Code of Ethics for Senior Financial Officers and Principal Executive Officer (if applicable), and/or Securities Trading Policy, (C) the engaging by the Grantee in willful misconduct or gross negligence which is injurious to the Company or any of its Affiliates, monetarily or otherwise, (D) the commission by Grantee of an act of fraud or embezzlement against the Company or any of its Affiliates, (E) the conviction of the Grantee of a crime which constitutes a felony or any lesser crime that involves Company property or a pleading of guilty or nolo contendere with respect to a crime which constitutes a felony or any lesser crime that involves Company property, or (F) violation of any of the restrictive covenants in Section 9 hereof.

(e) "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: (A) 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 (B) 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.

(f) Change in Control Termination" means the Company's termination of the Grantee's Service without Cause (other than due to death or Disability) during the Protection Period.

(g) "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. Notwithstanding the foregoing, the

Committee may treat periods of less than full time employment, in whole or in part, as Credited Service in its sole discretion.

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

(i) "Grant Date" means ____________ ___, 2019, which is the date the Committee authorized this PRSU grant.

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

(k) "Performance Period" means January 1, 2021 through December 31, 2021.

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

(m) "Protection Period" means the period beginning on the date that is six (6) months before the effective date of a Change in Control and ending on the second anniversary of the effective date of the Change in Control.

(n) "Retirement" means termination of an employee's Service on or after attainment of age 55 with at least 15 full years of aggregate Service. For clarity, only twelve (12) months of continuous Service shall count as a full year of Service for purposes of determining if an employee is eligible for Retirement.

(o) "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).

(p) "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 Grant Date; provided, however, that in the event of a Change in Control, the Vesting Date shall be the effective date of the Change in Control.

2. <u>Grant of Performance Restricted Stock Units</u>. Subject to the terms and conditions set forth herein, the Company hereby grants to the Grantee ______ (the "<u>Target Number</u>") PRSUs. The Committee will determine the number of PRSUs at the end of the Performance Period ("<u>Actual PRSUs</u>") in accordance with the Adjusted EBITDA Margin Table attached hereto as Schedule I (the "<u>Adjusted EBITDA Margin Table</u>"), 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. <u>Vesting Schedule</u>. 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 "<u>Calculation Date</u>").

4. <u>Settlement and Deferral of PRSUs</u>.

(a) Each vested Actual PRSU entitles the Grantee to receive one share of Stock on the "<u>Settlement Date</u>," 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 Service.

(a) Except as provided below, if the Grantee's Service terminates for any reason prior to the Settlement Date, then all unvested PRSUs (or all unvested Actual PRSUs, as applicable) shall be forfeited.

(b) If the Grantee's Service terminates due to Retirement at any time after 6 (six) months from the Grant Date but before the Settlement Date, then the Grantee shall continue to vest in all of the Grantee's unvested PRSUs (or all unvested Actual PRSUs, as applicable) according to the terms of this Agreement as though the Grantee's Service had not terminated. For clarity, the Grantee's Actual PRSUs shall be determined at the end of the Performance Period according to the Adjusted EBITDA Margin Table based on actual performance, and such Actual PRSUs shall be settled at the time specified in Section 4 hereof.

(c) If the Grantee's Service terminates due to a Change in Control Termination after the Grant Date but before the end of the Performance Period, then on the date of the Grantee's termination (or, if later, on the effective date of the Change in Control), 100% of the Target Number of PRSUs shall become immediately vested, be considered Actual PRSUs and settled according to Section 4 hereof. If the Grantee's Service terminates due to a Change in Control Termination after the end of the Performance Period but before the Settlement Date, then on the date of the Grantee's termination (or, if later, on the effective date of the Change in Control), all of the Grantee's Actual PRSUs shall become immediately vested and settled according to Section 4 hereof.

(d) In the event of the Grantee's death or if the Committee's determines, in its sole discretion, that the Grantee has become Disabled, in each case, after the Grant Date and prior to the end of the Performance Period), (i) 100% of the Target Number of PRSUs shall become immediately vested, be considered Actual PRSUs 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, and (ii) any PRSUs in excess of the Target Number shall be forfeited. In the event the Grantee dies or becomes Disabled (as determined by the Committee in its sole discretion) on or after the end of the Performance Period and prior to (or on) the Settlement Date, the Grantee shall be entitled to receive shares of Stock underlying all vested Actual PRSUs, and regardless of the Grantee's deferral election, 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).

(e) If the Grantee's employment is terminated due to a reason specified in (b)-(d) above but, after such termination, the Committee determines that it would have had Cause to terminate the Grantee's Service if all the relevant facts had been known to the Committee as of the date of the Grantee's termination, then all PRSUs and Actual PRSUs shall immediately be forfeited and cancelled, whether or not vested, as of the date of the Committee's determination.

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, (II) clinical workforce management services, or (III) healthcare workforce technology platforms, 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. Successor. 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
PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT
(TOTAL SHAREHOLDER RETURN)

THIS PERFORMANCE RESTRICTED STOCK UNIT AGREEMENT (the "Agreement"), made this _____________ ___, 2019 by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and ________________ (the "Grantee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare 2017 Equity Plan, (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) "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, 2019 and the last day of the Closing Average Period, as the case may be.

(b) "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.

(c) "Cause" means (i) the definition of "cause" means any of the following: (A) Grantee's failure to perform in any material respect his or her duties as an employee of the Company, (B) Grantee's violation of the Company's Code of Business Conduct, Code of Ethics for Senior Financial Officers and Principal Executive Officer, and/or Securities Trading Policy, (C) the engaging by Grantee in willful misconduct or gross negligence which is injurious to the Company or any of its affiliates, monetarily or otherwise, (D) the commission by the Grantee of an act of fraud or embezzlement against the Company or any of its affiliates, or (E) the conviction of the Grantee of a crime which constitutes a felony or any lesser crime that involves Company property or a pleading of guilty or nolo contendere with respect to a crime which constitutes a felony or any lesser crime that involves Company property, or (F) violation of any of the restrictive covenants in Section 9 hereof.

(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: (A) 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 (B) 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) Change in Control Termination" means the Company's termination of the Grantee's Service without Cause (other than due to death or Disability) during the Protection Period**.**

(f) "Closing Average Period" means the ninety (90)-day period ending on the last day of the Performance Period.

(g) "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.

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

(i) "Grant Date" means __________ ___, 2019, which is the date the Committee authorized this PRSU grant.

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

(k) "Opening Average Period" means the ninety (90)-day period ended on December 31, 2018.

(l) "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.

(m) "Peer Companies" means the companies included in the Russell 2000 on December 31, 2017. 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.

(n) "Performance Period" means January 1, 2019 through December 31, 2021.

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

(p) "Protection Period" means the period beginning on the date that is six (6) months before the effective date of a Change in Control and ending on the second anniversary of the effective date of the Change in Control.

(q) "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)).

(r) "Retirement" means termination of an employee's Service on or after attainment of age 55 with at least 15 full years of aggregate Service. For clarity, only twelve (12) months of continuous Service shall count as a full year of Service for purposes of determining if an employee is eligible for Retirement.

(s) "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).

(t) "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).

(u) "Vesting Date" means the date on which the Committee determines the TSR and Relative TSR; provided, however, that in the event of a Change in Control, the Vesting Date shall be the effective date of the Change in Control.

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 PRSUs shall only vest on the Vesting Date if the Grantee has provided Service to the Company continuously from the Grant Date through 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 end of 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. <u>Dividend Equivalents</u>. 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. <u>Termination of Service</u>.

(a) Except as provided below, if the Grantee's Service terminates for any reason prior to the Settlement Date, then all unvested PRSUs shall be forfeited.

(b) If the Grantee’s Service terminates due to Retirement at any time after 6 (six) months from the Grant Date but before the Settlement Date, then the Grantee shall continue to vest in all of the Grantee’s unvested PRSUs according to the terms of this Agreement as though the Grantee’s Service had not terminated. For clarity, the actual number of PRSUs that shall vest shall be determined at the end of the Performance Period according to the Vesting Table based on actual performance, and such vested PRSUs shall be settled at the time specified in Section 4 hereof.

(c) If the Grantee’s Service terminates due to a Change in Control Termination after the Grant Date but before the end of the Performance Period, then on the date of the Grantee’s termination (or, if later, on the effective date of the Change in Control), 100% of the target number of PRSUs shall become immediately vested and settled according to Section 4 hereof, and any PRSUs in excess of the target number shall be forfeited. If the Grantee’s Service terminates due to a Change in Control Termination after the end of the Performance Period but before the Settlement Date, then on the date of the Grantee’s termination (or, if later, on the effective date of the Change in Control), the number of PRSUs that were earned based on actual performance according to the Vesting Table shall become immediately vested and settled according to Section 4 hereof.

(d) In the event of the Grantee’s death or if the Committee determines, in its sole discretion, that the Grantee has become Disabled, in each case, after the Grant Date and prior to the end of the Performance Period, (i) 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 and (ii) any PRSUs in excess of the target number shall be forfeited. In the event the Grantee dies or becomes Disabled (as determined by the Committee in its sole discretion) on or after the end of the Performance Period and prior to (or on) the Settlement Date, the Grantee shall be entitled to receive shares of Stock underlying all vested PRSUs, and regardless of the Grantee’s deferral election, 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).

(e) If the Grantee’s employment is terminated due to a reason specified in (b)-(d) above but, after such termination, the Committee determines that it would have had Cause to terminate the Grantee’s Service if all the relevant facts had been known to the Committee as of the date of the Grantee’s termination, then all PRSUs and Actual PRSUs shall immediately be forfeited and cancelled, whether or not vested, as of the date of the Committee’s determination.

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, (II) clinical workforce management services, or (III) healthcare workforce technology platforms, 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. Successor. 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:

<u>SCHEDULE I</u>

VESTING TABLE

AMN HEALTHCARE
EQUITY PLAN
RESTRICTED STOCK UNIT AGREEMENT

THIS RESTRICTED STOCK UNIT AGREEMENT (the "Agreement"), made this _______________ ___, 2019, by and between AMN Healthcare Services, Inc. (the "Company"), a Delaware corporation, and _____________________ (the "Grantee").

W I T N E S S E T H:

WHEREAS, the Company sponsors the AMN Healthcare 2017 Equity Plan, (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) "Cause" means (i) the definition of "cause" means any of the following: (A) Grantee's failure to perform in any material respect his or her duties as an employee of the Company, (B) Grantee's violation of the Company's Code of Business Conduct, Code of Ethics for Senior Financial Officers and Principal Executive Officer, and/or Securities Trading Policy, (C) the engaging by Grantee in willful misconduct or gross negligence which is injurious to the Company or any of its affiliates, monetarily or otherwise, (D) the commission by the Grantee of an act of fraud or embezzlement against the Company or any of its affiliates, (E) the conviction of the Grantee of a crime which constitutes a felony or any lesser crime that involves Company property or a pleading of guilty or nolo contendere with respect to a crime which constitutes a felony or any lesser crime that involves Company property. or (F) violation of any of the restrictive covenants in Section 9 hereof

(c) "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: (A) 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 (B) 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.

(a) Change in Control Termination" means the Company's termination of the Grantee's Service without Cause (other than due to death or Disability) during the Protection Period.

(b) "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. Notwithstanding the foregoing, the Committee may treat periods of less than full time employment, in whole or in part, as Credited Service in its sole discretion.

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

(d) "Grant Date" means _____________ ____, 2019, which is the date the Committee authorized this RSU grant.

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

(f) "Protection Period" means the period beginning on the date that is six (6) months before the effective date of a Change in Control and ending on the second anniversary of the effective date of the Change in Control.

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

(h) "Retirement" means termination of an employee's Service on or after attainment of age 55 with at least 15 full years of aggregate Service. For clarity, only twelve (12) months of continuous Service shall count as a full year of Service for purposes of determining if an employee is eligible for Retirement.

(i) "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 ("RSUs").

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 in three tranches on each of the first, second and third anniversaries of the Grant Date and the Grantee's provision of three periods of Credited Service. The first tranche, equal to 33% of the RSUs granted, will vest on the first anniversary of the Grant Date and the Grantee's provision of one period of Credited Service. The second tranche, equal to 33% of the RSUs granted, will vest on the second anniversary of the Grant Date and the Grantee's provision of a second period of Credited Service. The final tranche, equal to 34% of the RSUs granted, will vest on the third anniversary of the Grant Date and the Grantee's provision of a third 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 all or a portion of the RSUs under Section 6 hereof, then 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 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.

(a) Except as provided below, if the Grantee's Service terminates for any reason prior to the Settlement Date, then all vested RSUs shall be settled in accordance with Section 4, and any unvested RSUs shall be forfeited.

(b) If the Grantee's Service terminates due to Retirement at any time after 6 (six) months from the Grant Date but before the Settlement Date, then the Grantee shall continue to vest in all of the Grantee's RSUs according to the schedule established in Section 3 as though the Grantee's Service had not terminated (and, for the sake of clarity, as though the Grantee met all Credited Service requirements), and such RSUs shall be settled at the time specified in Section 4 hereof.

(c) If the Grantee's Service terminates due to a Change in Control Termination after the Grant Date but before the Settlement Date, then on the date of the Grantee's termination (or, if later, on the effective date of the Change in Control), 100% of the RSUs shall become immediately vested and settled according to Section 4 hereof.

(d) In the event of the Grantee's death or if the Committee determines, 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.

(e) If the Grantee's service terminates for Cause, then any outstanding RSUs, whether vested or unvested, shall be forfeited and cancelled as of the Grantee's termination date. If the Grantee's employment is terminated due to a reason specified in (b)-(d) above but, after such termination, the Committee determines that it would have had Cause to terminate the Grantee's Service if all the relevant facts had been known to the Committee as of the date of the Grantee's termination, then all outstanding RSUs shall immediately be forfeited and cancelled, whether or not vested, as of the date of the Committee's determination.

7. <u>Company; Grantee</u>.

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

(b) Whenever the word "<u>Grantee</u>" 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 "<u>Grantee</u>" shall be deemed to include such person or persons.

8. <u>Non-Transferability</u>. 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, (II) clinical workforce management services, or (III) healthcare workforce technology platforms, 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. Successor. 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:

Exhibit 31.1

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.

/S/ SUSAN R. SALKA

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

Date: May 3, 2019

Exhibit 31.2

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/ BRIAN M. SCOTT

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

Date: May 3, 2019

Exhibit 32.1

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, 2019 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

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

Date: May 3, 2019

Exhibit 32.2

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, 2019 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/ BRIAN M. SCOTT

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

Date: May 3, 2019