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

# FORM 10-Q

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

**For the quarterly period ended September 30, 2024**

OR

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

**For the transition period from __________ to __________**
**Commission File No.: 001-16753**

# AMN HEALTHCARE SERVICES, INC.

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

| | |
|---|---|
| **Delaware** | **06-1500476** |
| *(State or Other Jurisdiction of Incorporation or Organization)* | *(I.R.S. Employer Identification No.)* |

| | | |
|---|---|---|
| **2999 Olympus Boulevard** | **Suite 500** | |
| **Dallas** | **Texas** | **75019** |
| *(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 ☒ No ☐

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

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

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

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

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

As of November 5, 2024, there were 38,073,722 shares of common stock, $0.01 par value, outstanding.

Auditor Name: KPMG LLP Auditor Location: San Diego, California Auditor Firm ID: 185

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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)**

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| **ASSETS** | | |
| Current assets: | | |
| Cash and cash equivalents | $ 30,550 | $ 32,935 |
| Accounts receivable, net of allowances of $31,199 and $32,233 at September 30, 2024 and December 31, 2023, respectively | 451,062 | 623,488 |
| Accounts receivable, subcontractor | 68,566 | 117,703 |
| Prepaid expenses | 17,073 | 21,889 |
| Other current assets | 45,015 | 45,670 |
| Total current assets | 612,266 | 841,685 |
| Restricted cash, cash equivalents and investments | 72,167 | 68,845 |
| Fixed assets, net of accumulated depreciation of $341,040 and $285,081 at September 30, 2024 and December 31, 2023, respectively | 196,902 | 191,385 |
| Other assets | 267,266 | 236,796 |
| Goodwill | 1,116,815 | 1,111,549 |
| Intangible assets, net of accumulated amortization of $513,785 and $442,052 at September 30, 2024 and December 31, 2023, respectively | 402,400 | 474,134 |
| Total assets | $ 2,667,816 | $ 2,924,394 |
| **LIABILITIES AND STOCKHOLDERS' EQUITY** | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | $ 213,206 | $ 343,847 |
| Accrued compensation and benefits | 281,683 | 278,536 |
| Other current liabilities | 23,657 | 33,738 |
| Total current liabilities | 518,546 | 656,121 |
| Revolving credit facility | 285,000 | 460,000 |
| Notes payable, net of unamortized fees and premium | 845,576 | 844,688 |
| Deferred income taxes, net | 17,270 | 23,350 |
| Other long-term liabilities | 110,759 | 108,979 |
| Total liabilities | 1,777,151 | 2,093,138 |
| Commitments and contingencies | | |
| Stockholders' equity: | | |
| Preferred stock, $0.01 par value; 10,000 shares authorized; none issued and outstanding at September 30, 2024 and December 31, 2023 | — | — |
| Common stock, $0.01 par value; 200,000 shares authorized; 50,631 issued and 38,018 outstanding at September 30, 2024 and 50,423 issued and 37,810 outstanding at December 31, 2023 | 506 | 504 |
| Additional paid-in capital | 525,029 | 506,543 |
| Treasury stock, at cost; 12,613 shares at September 30, 2024 and December 31, 2023 | (1,127,043) | (1,127,043) |
| Retained earnings | 1,492,229 | 1,451,675 |
| Accumulated other comprehensive loss | (56) | (423) |
| Total stockholders' equity | 890,665 | 831,256 |
| Total liabilities and stockholders' equity | $ 2,667,816 | $ 2,924,394 |

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 September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Revenue | $ 687,509 | $ 853,463 | $ 2,249,072 | $ 2,970,985 |
| Cost of revenue | 474,454 | 563,957 | 1,548,684 | 1,982,352 |
| Gross profit | 213,055 | 289,506 | 700,388 | 988,633 |
| Operating expenses: | | | | |
| Selling, general and administrative | 149,681 | 163,405 | 473,567 | 570,775 |
| Depreciation and amortization (exclusive of depreciation included in cost of revenue) | 41,122 | 39,175 | 126,942 | 113,599 |
| Total operating expenses | 190,803 | 202,580 | 600,509 | 684,374 |
| Income from operations | 22,252 | 86,926 | 99,879 | 304,259 |
| Interest expense, net, and other | 14,444 | 11,541 | 46,787 | 33,975 |
| Income before income taxes | 7,808 | 75,385 | 53,092 | 270,284 |
| Income tax expense | 819 | 22,211 | 12,538 | 72,094 |
| Net income | $ 6,989 | $ 53,174 | $ 40,554 | $ 198,190 |
| Other comprehensive income: | | | | |
| Unrealized gains on available-for-sale securities, net, and other | 101 | 133 | 367 | 329 |
| Other comprehensive income | 101 | 133 | 367 | 329 |
| Comprehensive income | $ 7,090 | $ 53,307 | $ 40,921 | $ 198,519 |
| Net income per common share: | | | | |
| Basic | $ 0.18 | $ 1.39 | $ 1.06 | $ 5.01 |
| Diluted | $ 0.18 | $ 1.39 | $ 1.06 | $ 4.99 |
| Weighted average common shares outstanding: | | | | |
| Basic | 38,200 | 38,147 | 38,163 | 39,547 |
| Diluted | 38,287 | 38,325 | 38,247 | 39,734 |

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, 2022 | 50,109 | $ 501 | $ 501,674 | (8,230) | $ (698,598) | $ 1,240,996 | $ (939) | $ 1,043,634 |
| Repurchase of common stock | — | — | — | (1,768) | (176,300) | — | — | (176,300) |
| Equity awards vested, net of shares withheld for taxes | 127 | 1 | (6,135) | — | — | — | — | (6,134) |
| Share-based compensation | — | — | 10,318 | — | — | — | — | 10,318 |
| Comprehensive income | — | — | — | — | — | 84,110 | 146 | 84,256 |
| Balance, March 31, 2023 | 50,236 | $ 502 | $ 505,857 | (9,998) | $ (874,898) | $ 1,325,106 | $ (793) | $ 955,774 |
| Repurchase of common stock | — | — | (40,000) | (2,354) | (211,964) | — | — | (251,964) |
| Equity awards vested, net of shares withheld for taxes | 103 | 1 | (3,288) | — | — | — | — | (3,287) |
| Share-based compensation | — | — | 4,818 | — | — | — | — | 4,818 |
| Comprehensive income | — | — | — | — | — | 60,906 | 50 | 60,956 |
| Balance, June 30, 2023 | 50,339 | $ 503 | $ 467,387 | (12,352) | $ (1,086,862) | $ 1,386,012 | $ (743) | $ 766,297 |
| Repurchase of common stock | — | — | 40,000 | (261) | (40,219) | — | — | (219) |
| Equity awards vested, net of shares withheld for taxes | 48 | 1 | (2,523) | — | — | — | — | (2,522) |
| Share-based compensation | — | — | 306 | — | — | — | — | 306 |
| Comprehensive income | — | — | — | — | — | 53,174 | 133 | 53,307 |
| Balance, September 30, 2023 | 50,387 | $ 504 | $ 505,170 | (12,613) | $ (1,127,081) | $ 1,439,186 | $ (610) | $ 817,169 |

| | Common Stock | | Additional Paid-in Capital | Treasury Stock | | Retained Earnings | Accumulated Other Comprehensive Loss | Total |
|---|---|---|---|---|---|---|---|---|
| | Shares | Amount | | Shares | Amount | | | |
| Balance, December 31, 2023 | 50,423 | $ 504 | $ 506,543 | (12,613) | $ (1,127,043) | $ 1,451,675 | $ (423) | $ 831,256 |
| Equity awards vested, net of shares withheld for taxes | 114 | 1 | (3,974) | — | — | — | — | (3,973) |
| Shares purchased under employee stock purchase plan | — | — | 1,757 | — | — | — | — | 1,757 |
| Share-based compensation | — | — | 7,739 | — | — | — | — | 7,739 |
| Comprehensive income | — | — | — | — | — | 17,328 | 84 | 17,412 |
| Balance, March 31, 2024 | 50,537 | $ 505 | $ 512,065 | (12,613) | $ (1,127,043) | $ 1,469,003 | $ (339) | $ 854,191 |
| Equity awards vested, net of shares withheld for taxes | 43 | 1 | (109) | — | — | — | — | (108) |
| Shares issued under employee stock purchase plan | 33 | — | — | — | — | — | — | — |
| Share-based compensation | — | — | 6,357 | — | — | — | — | 6,357 |
| Comprehensive income | — | — | — | — | — | 16,237 | 182 | 16,419 |
| Balance, June 30, 2024 | 50,613 | $ 506 | $ 518,313 | (12,613) | $ (1,127,043) | $ 1,485,240 | $ (157) | $ 876,859 |
| Equity awards vested, net of shares withheld for taxes | 18 | — | (469) | — | — | — | — | (469) |
| Shares purchased under employee stock purchase plan | — | — | 1,630 | — | — | — | — | 1,630 |
| Share-based compensation | — | — | 5,555 | — | — | — | — | 5,555 |
| Comprehensive income | — | — | — | — | — | 6,989 | 101 | 7,090 |
| Balance, September 30, 2024 | 50,631 | $ 506 | $ 525,029 | (12,613) | $ (1,127,043) | $ 1,492,229 | $ (56) | $ 890,665 |

See accompanying notes to unaudited condensed consolidated financial statements.

# AMN HEALTHCARE SERVICES, INC.

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

| | Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Cash flows from operating activities: | | |
| Net income | $ 40,554 | $ 198,190 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization (inclusive of depreciation included in cost of revenue) | 132,305 | 117,795 |
| Non-cash interest expense and other | 1,601 | 1,587 |
| Change in fair value of contingent consideration liabilities | — | 2,430 |
| Increase in allowance for credit losses and sales credits | 5,556 | 31,968 |
| Provision for deferred income taxes | (5,908) | 8,495 |
| Share-based compensation | 19,651 | 15,442 |
| Loss on disposal or impairment of long-lived assets | 42 | 1,793 |
| Net loss on investments in available-for-sale securities | 197 | 228 |
| Net gain on deferred compensation balances | (1,189) | (300) |
| Non-cash lease expense | (903) | 1,146 |
| Changes in assets and liabilities, net of effects from acquisitions: | | |
| Accounts receivable | 162,958 | 77,572 |
| Accounts receivable, subcontractor | 49,137 | 92,750 |
| Income taxes receivable | (3,603) | 8,875 |
| Prepaid expenses | 3,462 | 344 |
| Other current assets | 163 | 3,793 |
| Other assets | 365 | (1,103) |
| Accounts payable and accrued expenses | (131,796) | (122,763) |
| Accrued compensation and benefits | (16,082) | (78,290) |
| Other liabilities | (10,301) | 52,503 |
| Deferred revenue | 1,395 | 840 |
| Net cash provided by operating activities | 247,604 | 413,295 |
| Cash flows from investing activities: | | |
| Purchase and development of fixed assets | (64,671) | (73,831) |
| Proceeds from sale and maturity of investments | 5,699 | 9,894 |
| Proceeds from sale of equity investment | — | 77 |
| Payments to fund deferred compensation plan | (8,412) | (24,902) |
| Cash received for working capital settlement of prior year acquisition | 1,649 | — |
| Net cash used in investing activities | (65,735) | (88,762) |

| | | Nine Months Ended September 30, | | |
|---|---|---|---|---|
| | | 2024 | | 2023 |
| Cash flows from financing activities: | | | | |
| Payments on revolving credit facility | | (260,000) | | (330,000) |
| Proceeds from revolving credit facility | | 85,000 | | 425,000 |
| Repurchase of common stock [1] | | — | | (424,744) |
| Payment of financing costs | | — | | (3,579) |
| Earn-out payments to settle contingent consideration liabilities for prior acquisitions | | — | | (7,500) |
| Cash paid for shares withheld for taxes | | (4,550) | | (11,943) |
| Net cash used in financing activities | | (179,550) | | (352,766) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | | 2,319 | | (28,233) |
| Cash, cash equivalents and restricted cash at beginning of period | | 108,273 | | 137,872 |
| Cash, cash equivalents and restricted cash at end of period | $ | 110,592 | $ | 109,639 |
| | | | | |
| Supplemental disclosures of cash flow information: | | | | |
| Cash paid for amounts included in the measurement of operating lease liabilities | $ | 7,844 | $ | 6,891 |
| Cash paid for interest (net of $509 and $1,026 capitalized for the nine months ended September 30, 2024 and 2023, respectively) | $ | 38,125 | $ | 25,087 |
| Cash paid for income taxes | $ | 21,675 | $ | 10,833 |
| Supplemental disclosures of non-cash investing and financing activities: | | | | |
| Purchase of fixed assets recorded in accounts payable and accrued expenses | $ | 9,589 | $ | 14,841 |
| Excise tax payable on share repurchases | $ | — | $ | 3,739 |
| Right-of-use assets obtained in exchange for operating lease liabilities | $ | 4,969 | $ | 25,794 |

(1) The difference between the amount reported for the nine months ended September 30, 2023 and the corresponding amounts presented in the condensed consolidated statements of stockholders' equity is due to accrued excise tax payable on share repurchases recorded within treasury stock.

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, stockholders' equity 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, 2023, contained in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed with the Securities and Exchange Commission on February 22, 2024 (the "2023 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 goodwill and intangible assets purchased in a business combination, asset impairments, accruals for self-insurance, contingent liabilities such as legal accruals, and income taxes. The Company bases these estimates on the information that is currently available and on various other assumptions that it believes are reasonable under the circumstances. Actual results could differ from those estimates under different assumptions or conditions.

***Cash, Cash Equivalents and Restricted Cash***

The Company considers all highly liquid investments and restricted investments with an original maturity of three months or less to be cash equivalents and restricted cash equivalents, respectively. Cash and cash equivalents include currency on hand, deposits with financial institutions, money market funds and other highly liquid investments. Restricted cash and cash equivalents primarily include cash, corporate bonds and commercial paper that serve as collateral for the Company's captive insurance subsidiary claim payments. See 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.

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Cash and cash equivalents | $ 30,550 | $ 32,935 |
| Restricted cash and cash equivalents (included in other current assets) | 18,004 | 22,056 |
| Restricted cash, cash equivalents and investments | 72,167 | 68,845 |
| Total cash, cash equivalents and restricted cash and investments | 120,721 | 123,836 |
| Less restricted investments | (10,129) | (15,563) |
| Total cash, cash equivalents and restricted cash | $ 110,592 | $ 108,273 |

The Company maintains its cash and restricted cash in bank deposit accounts primarily at large, national financial institutions, which typically exceed federally insured limits. The Company has not experienced any losses in such accounts.

***Accounts Receivable***

The Company records accounts receivable at the invoiced amount. Accounts receivable are non-interest bearing. The Company maintains an allowance for expected credit losses based on the Company's historical write-off experience, an assessment of its customers' financial conditions and available information that is relevant to assessing the collectability of cash flows, which includes current conditions and forecasts about future economic conditions.

The following table provides a reconciliation of activity in the allowance for credit losses for accounts receivable:

| | 2024 | 2023 |
|---|---|---|
| Balance as of January 1, | $ 32,233 | $ 31,910 |
| Provision for expected credit losses | 5,664 | 5,464 |
| Amounts written off charged against the allowance | (6,698) | (2,948) |
| Balance as of September 30, | $ 31,199 | $ 34,426 |

## 2. ACQUISITIONS

The Company accounted for the acquisition set forth below using the acquisition method of accounting. Accordingly, the Company recorded the tangible and intangible assets acquired and liabilities assumed at their estimated fair values as of the date of acquisition. Since the 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 the analysis of the information that has been made available through September 30, 2024. The goodwill recognized for the acquisition is attributable to expected growth as the Company leverages its brand and diversifies its services offered to clients, including potential revenue growth and margin expansion. The Company did not incur any material acquisition-related costs.

***MSDR Acquisition***

On November 30, 2023, the Company completed its acquisition of MSI Systems Corp. and DrWanted.com LLC (together, "MSDR"), two healthcare staffing companies that specialize in locum tenens and advanced practice. The initial purchase price of $292,818 consisted entirely of cash consideration paid upon acquisition. The acquisition was funded through borrowings under the Company's $750,000 secured revolving credit facility (the "Senior Credit Facility"). The results of MSDR have been included in the Company's physician and leadership solutions segment since the date of acquisition. During the second quarter of 2024, $1,649 was returned to the Company in respect of the final working capital settlement.

The preliminary allocation of the $291,169 purchase price, which was reduced by the final working capital settlement during the second quarter of 2024, consisted of (1) $43,323 of fair value of tangible assets acquired, which included $643 cash received, (2) $25,190 of liabilities assumed, (3) $92,000 of identified intangible assets, and (4) $181,036 of goodwill, of which $92,208 is deductible for tax purposes. The provisional items include the final working capital settlement and the assessment of additional information to finalize the measurement of certain assets acquired and liabilities assumed, which primarily consist of income tax matters and operating leases. The intangible assets acquired have a weighted average useful life of approximately seven years. The following table summarizes the fair value and useful life of each intangible asset acquired as of the acquisition date:

| | Fair Value | Useful Life (in years) |
|---|---|---|
| Identifiable intangible assets | | |
| Customer relationships | $ 54,300 | 7 - 10 |
| Tradenames and trademarks | 26,400 | 3 |
| Staffing databases | 11,300 | 5 |
| | $ 92,000 | |

### 3. REVENUE RECOGNITION

Revenue primarily consists of fees earned from the temporary staffing and permanent placement of healthcare professionals, executives, and leaders (clinical and operational). The Company also generates revenue from technology-enabled services, including language interpretation and vendor management systems, and talent planning and acquisition services, including recruitment process outsourcing. The Company recognizes revenue when control of its services is transferred to its customers, in an amount that reflects the consideration the Company expects to be entitled to receive 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 ("MSP") 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 are recorded in accordance with the accounting guidance on reporting revenue gross as a principal versus net as an agent. Revenue is recorded on a gross basis when the Company utilizes its own network of healthcare professionals (including nurses, allied healthcare professionals, locum tenens, and executive and leadership interim staff). Conversely, when the Company uses subcontractors under an MSP arrangement and acts as an agent, revenue is recorded net of the related subcontractor's expense. Revenue from permanent placement and recruitment process outsourcing services is recognized as the services are rendered. Depending on the arrangement, the Company's technology-enabled service revenue is recognized either as the services are rendered or ratably over the applicable arrangement's service period. Revenue for the language services business is recorded on a gross basis. Under vendor management systems arrangements, revenue is recorded on a net basis as an agent because other companies are primarily responsible for providing the staffing services, for which the Company is entitled a percentage fee.

The Company's customers are primarily billed as services are rendered. Any fees billed in advance of being earned are recorded as deferred revenue. While payment terms vary by the type of customer and the services rendered, the term between invoicing and when payment is due is not significant.

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 that 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 that 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 regarding the Company's revenue disaggregated by service type.

## 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:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Net income | $ 6,989 | $ 53,174 | $ 40,554 | $ 198,190 |
| Net income per common share - basic | $ 0.18 | $ 1.39 | $ 1.06 | $ 5.01 |
| Net income per common share - diluted | $ 0.18 | $ 1.39 | $ 1.06 | $ 4.99 |
| Weighted average common shares outstanding - basic | 38,200 | 38,147 | 38,163 | 39,547 |
| Plus dilutive effect of potential common shares | 87 | 178 | 84 | 187 |
| Weighted average common shares outstanding - diluted | 38,287 | 38,325 | 38,247 | 39,734 |
| Anti-dilutive potential common shares excluded from diluted weighted average common shares outstanding | 411 | 43 | 392 | 84 |

The dilutive effect of potential shares primarily includes outstanding share-based awards, which consists of restricted stock units, performance restricted stock units, and obligations under the Company's employee stock purchase plan (the "ESPP").

In the second quarter of 2023, the Company entered into an accelerated share repurchase ("ASR") agreement with a counterparty whereupon the Company prepaid $200,000 and received an initial delivery of 1,760 shares of its common stock. In the third quarter of 2023, the Company received a final delivery of approximately 261 additional shares of its common stock, representing the final settlement of the ASR agreement. During the three months ended June 30, 2023, the prepayment was recognized as a reduction to stockholders' equity, consisting of (1) an increase in treasury stock, which reflected the fair value of the shares received upon initial delivery, and (2) a reduction in additional paid-in capital, which reflected the pending settlement of the ASR agreement. The reduction in additional paid-in capital was reclassified to treasury stock during the three months ended September 30, 2023 upon final settlement. Additional information regarding the Company's share repurchase program and the shares repurchased thereunder (including the ASR) is disclosed in Part II, Item 8, "Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (b), Capital Stock—Treasury Stock" of the 2023 Annual Report.

## 5. SEGMENT INFORMATION

The Company's operating segments are identified in the same manner as they are reported internally and used by the Company's chief operating decision maker for the purpose of evaluating performance and allocating resources. The Company has three reportable segments: (1) nurse and allied solutions, (2) physician and leadership solutions, and (3) technology and workforce solutions. The nurse and allied solutions segment includes the Company's travel nurse staffing (including international nurse staffing and rapid response nurse staffing), labor disruption staffing, local staffing, international nurse permanent placement, and allied staffing (including revenue cycle solutions) businesses. The physician and leadership solutions segment includes the Company's locum tenens staffing, healthcare interim leadership staffing, executive search, and physician permanent placement businesses. The technology and workforce solutions segment includes the Company's language services, vendor management systems, workforce optimization, and outsourced solutions businesses.

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 September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| Revenue | | | | |
| Nurse and allied solutions | $ 399,368 | $ 573,426 | $ 1,361,064 | $ 2,086,921 |
| Physician and leadership solutions | 180,605 | 159,554 | 555,467 | 501,540 |
| Technology and workforce solutions | 107,536 | 120,483 | 332,541 | 382,524 |
| | $ 687,509 | $ 853,463 | $ 2,249,072 | $ 2,970,985 |
| Segment operating income | | | | |
| Nurse and allied solutions | $ 35,110 | $ 82,882 | $ 134,659 | $ 299,320 |
| Physician and leadership solutions | 18,134 | 21,609 | 62,017 | 73,165 |
| Technology and workforce solutions | 41,948 | 50,664 | 133,477 | 173,297 |
| | 95,192 | 155,155 | 330,153 | 545,782 |
| Unallocated corporate overhead | 24,335 | 27,196 | 78,318 | 108,286 |
| Depreciation and amortization | 41,122 | 39,175 | 126,942 | 113,599 |
| Depreciation (included in cost of revenue) | 1,928 | 1,552 | 5,363 | 4,196 |
| Share-based compensation | 5,555 | 306 | 19,651 | 15,442 |
| Interest expense, net, and other | 14,444 | 11,541 | 46,787 | 33,975 |
| Income before income taxes | $ 7,808 | $ 75,385 | $ 53,092 | $ 270,284 |

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

| | Nurse and Allied Solutions | Physician and Leadership Solutions | Technology and Workforce Solutions | Total |
|---|---|---|---|---|
| Balance, January 1, 2024 | $ 382,420 | $ 328,570 | $ 400,559 | $ 1,111,549 |
| Goodwill adjustment for MSDR acquisition | — | 5,266 | — | 5,266 |
| Balance, September 30, 2024 | $ 382,420 | $ 333,836 | $ 400,559 | $ 1,116,815 |
| Accumulated impairment loss as of December 31, 2023 and September 30, 2024 | $ 154,444 | $ 60,495 | $ — | $ 214,939 |

***Disaggregation of Revenue***

The following tables present the Company's revenue disaggregated by service type:

| | Three Months Ended September 30, 2024 | | | |
|---|---|---|---|---|
| | Nurse and Allied Solutions | Physician and Leadership Solutions | Technology and Workforce Solutions | Total |
| Travel nurse staffing | $ 243,745 | $ — | $ — | $ 243,745 |
| Labor disruption services | 486 | — | — | 486 |
| Local staffing | 10,494 | — | — | 10,494 |
| Allied staffing | 140,872 | — | — | 140,872 |
| Locum tenens staffing | — | 141,716 | — | 141,716 |
| Interim leadership staffing | — | 28,862 | — | 28,862 |
| Temporary staffing | 395,597 | 170,578 | — | 566,175 |
| Permanent placement [(1)] | 3,771 | 10,027 | — | 13,798 |
| Language services | — | — | 75,009 | 75,009 |
| Vendor management systems | — | — | 25,018 | 25,018 |
| Other technologies | — | — | 5,044 | 5,044 |
| Technology-enabled services | — | — | 105,071 | 105,071 |
| Talent planning and acquisition | — | — | 2,465 | 2,465 |
| Total revenue | $ 399,368 | $ 180,605 | $ 107,536 | $ 687,509 |

| | Three Months Ended September 30, 2023 | | | |
|---|---|---|---|---|
| | Nurse and Allied Solutions | Physician and Leadership Solutions | Technology and Workforce Solutions | Total |
| Travel nurse staffing | $ 384,102 | $ — | $ — | $ 384,102 |
| Labor disruption services | 777 | — | — | 777 |
| Local staffing | 16,991 | — | — | 16,991 |
| Allied staffing | 167,622 | — | — | 167,622 |
| Locum tenens staffing | — | 112,514 | — | 112,514 |
| Interim leadership staffing | — | 30,910 | — | 30,910 |
| Temporary staffing | 569,492 | 143,424 | — | 712,916 |
| Permanent placement [(1)] | 3,934 | 16,130 | — | 20,064 |
| Language services | — | — | 66,406 | 66,406 |
| Vendor management systems | — | — | 38,116 | 38,116 |
| Other technologies | — | — | 5,052 | 5,052 |
| Technology-enabled services | — | — | 109,574 | 109,574 |
| Talent planning and acquisition | — | — | 10,909 | 10,909 |
| Total revenue | $ 573,426 | $ 159,554 | $ 120,483 | $ 853,463 |

| | Nine Months Ended September 30, 2024 | | | |
|---|---|---|---|---|
| | Nurse and Allied Solutions | Physician and Leadership Solutions | Technology and Workforce Solutions | Total |
| Travel nurse staffing | $ 854,746 | $ — | $ — | $ 854,746 |
| Labor disruption services | 886 | — | — | 886 |
| Local staffing | 33,786 | — | — | 33,786 |
| Allied staffing | 462,001 | — | — | 462,001 |
| Locum tenens staffing | — | 429,700 | — | 429,700 |
| Interim leadership staffing | — | 89,373 | — | 89,373 |
| Temporary staffing | 1,351,419 | 519,073 | — | 1,870,492 |
| Permanent placement [(1)] | 9,645 | 36,394 | — | 46,039 |
| Language services | — | — | 221,749 | 221,749 |
| Vendor management systems | — | — | 81,671 | 81,671 |
| Other technologies | — | — | 15,993 | 15,993 |
| Technology-enabled services | — | — | 319,413 | 319,413 |
| Talent planning and acquisition | — | — | 13,128 | 13,128 |
| Total revenue | $ 1,361,064 | $ 555,467 | $ 332,541 | $ 2,249,072 |

| | Nine Months Ended September 30, 2023 | | | |
|---|---|---|---|---|
| | Nurse and Allied Solutions | Physician and Leadership Solutions | Technology and Workforce Solutions | Total |
| Travel nurse staffing | $ 1,453,988 | $ — | $ — | $ 1,453,988 |
| Labor disruption services | 11,515 | — | — | 11,515 |
| Local staffing | 61,038 | — | — | 61,038 |
| Allied staffing | 545,959 | — | — | 545,959 |
| Locum tenens staffing | — | 341,129 | — | 341,129 |
| Interim leadership staffing | — | 107,553 | — | 107,553 |
| Temporary staffing | 2,072,500 | 448,682 | — | 2,521,182 |
| Permanent placement [(1)] | 14,421 | 52,858 | — | 67,279 |
| Language services | — | — | 191,732 | 191,732 |
| Vendor management systems | — | — | 138,843 | 138,843 |
| Other technologies | — | — | 18,191 | 18,191 |
| Technology-enabled services | — | — | 348,766 | 348,766 |
| Talent planning and acquisition | — | — | 33,758 | 33,758 |
| Total revenue | $ 2,086,921 | $ 501,540 | $ 382,524 | $ 2,970,985 |

(1) Includes revenue from international nurse permanent placement, physician permanent placement and executive search.

The following table presents the Company's international nurse revenue by service type:

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| International nurse staffing [(1)] | $ 41,376 | $ 53,990 | $ 129,668 | $ 155,454 |
| International nurse permanent placement [(2)] | 3,771 | 3,934 | 9,645 | 14,421 |
| Total international nurse revenue | $ 45,147 | $ 57,924 | $ 139,313 | $ 169,875 |

(1) Included in "Travel nurse staffing" as presented in the preceding tables.

(2) Included in "Permanent placement" as presented in the preceding tables.

## 6. NOTES PAYABLE AND CREDIT AGREEMENT

On February 10, 2023, the Company entered into the third amendment to its credit agreement (the “Third Amendment”). The Third Amendment provides for, among other things, the following: (i) an extension of the maturity date of the Senior Credit Facility to February 10, 2028, (ii) an increase of the Senior Credit Facility from $400,000 to $750,000, and (iii) a transition from LIBOR to a Secured Overnight Financing Rate (“SOFR”)-based interest rate. As reported in the Company’s Current Report on Form 8-K filed on November 7, 2024, on November 5, 2024, the Company entered into the fourth amendment to its credit agreement which increased the consolidated net leverage ratio covenant for the year ending December 31, 2025. Additional information regarding the Senior Credit Facility and the amended credit agreement is disclosed in Part II, Item 8, “Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (8), Notes Payable and Credit Agreement” of the 2023 Annual Report.

## 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 2023 Annual Report. The Company has not changed the valuation techniques or inputs it uses for its fair value measurement during the nine months ended September 30, 2024.

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

From time to time, the Company invests a portion of its cash and cash equivalents in non-federally insured money market funds that are measured at fair value based on quoted prices, which are Level 1 inputs.

The Company has a deferred compensation plan for certain executives and employees, which is composed of deferred compensation and all related income and losses attributable thereto. The Company’s obligation under its deferred compensation plan is measured at fair value based on quoted market prices of the participants’ elected investments, which are Level 1 inputs.

The Company’s restricted cash equivalents and investments that serve as collateral for the Company’s captive insurance company include commercial paper and corporate bonds. The commercial paper is measured at observable market prices for identical securities that are traded in less active markets, which are Level 2 inputs. The corporate bonds are measured using readily available pricing sources that utilize observable market data, including the current interest rate for comparable instruments, which are Level 2 inputs. The following table presents the fair value of commercial paper and corporate bonds issued and outstanding:

| | As of September 30, 2024 | As of December 31, 2023 |
|---|---|---|
| Commercial paper | $ 55,101 | $ 48,206 |
| Corporate bonds | — | — |
| Total classified as restricted cash equivalents | $ 55,101 | $ 48,206 |
| Commercial paper | $ — | $ — |
| Corporate bonds | 10,129 | 15,563 |
| Total classified as restricted investments | $ 10,129 | $ 15,563 |

The Company’s contingent consideration liabilities associated with acquisitions 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. There were no contingent consideration liabilities outstanding as of both September 30, 2024 and December 31, 2023.

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

| Assets (Liabilities) | Fair Value Measurements as of September 30, 2024 | | | | Fair Value Measurements as of December 31, 2023 | | | |
|---|---|---|---|---|---|---|---|---|
| | Level 1 | Level 2 | Level 3 | Total | Level 1 | Level 2 | Level 3 | Total |
| Deferred compensation | $ (188,738) | $ — | $ — | $ (188,738) | $ (165,574) | $ — | $ — | $ (165,574) |
| Corporate bonds | — | 10,129 | — | 10,129 | — | 15,563 | — | 15,563 |
| Commercial paper | — | 55,101 | — | 55,101 | — | 48,206 | — | 48,206 |

***Assets Measured on a Non-Recurring Basis***

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

The fair value of identifiable intangible assets is determined using either the income approach (the relief-from-royalty method, multi-period excess earnings method or with-and-without method) or the cost approach (replacement cost method). These valuation approaches use a combination of assumptions, including Level 3 inputs, such as (i) forecasted revenue, growth rates and customer attrition rates, (ii) forecasted operating expenses and profit margins, and (iii) royalty rates and discount rates used to present value the forecasted cash flows.

The Company evaluates goodwill and indefinite-lived intangible assets annually for impairment and whenever events or changes in circumstances indicate that it is more likely than not that an impairment exists. 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, and other information available to the Company such as the rights and obligations of the securities. 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. As of September 30, 2024, the Company has recognized cumulative upward adjustments and cumulative downward adjustments (including impairments) of $14,033 and $10,130, respectively. The balance of the equity investment was $12,503 as of both September 30, 2024 and December 31, 2023.

There were no material impairment charges recorded during the nine months ended September 30, 2024 and 2023.

***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. The fair value of the Company's 4.625% senior notes due 2027 (the "2027 Notes") and 4.000% senior notes due 2029 (the "2029 Notes") was estimated using quoted market prices in active markets for identical liabilities, which are Level 1 inputs. The carrying amounts and estimated fair value of the 2027 Notes and the 2029 Notes are presented in the following table. See additional information regarding the 2027 Notes and the 2029 Notes in Part II, Item 8, "Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (8), Notes Payable and Credit Agreement" of the 2023 Annual Report.

| | As of September 30, 2024 | | As of December 31, 2023 | |
|---|---|---|---|---|
| | Carrying Amount | Estimated Fair Value | Carrying Amount | Estimated Fair Value |
| 2027 Notes | $ 500,000 | $ 486,875 | $ 500,000 | $ 468,750 |
| 2029 Notes | 350,000 | 326,375 | 350,000 | 314,125 |

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. INCOME TAXES**

The Company is subject to taxation in the U.S. and various states and foreign jurisdictions. With few exceptions, as of September 30, 2024, the Company is no longer subject to state, local or foreign examinations by tax authorities for tax years before 2011, and the Company is no longer subject to U.S. federal income or payroll tax examinations for tax years before 2020.

The Company believes its liability 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.

## 9. 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, representative 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 accrues for contingencies and 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 and representative actions related to wage and hour claims under California and Federal law. Specifically, among other claims in these lawsuits, it is alleged that certain expense reimbursements should be considered wages and included in the regular rate of pay for purposes of calculating overtime rates.

On May 26, 2016, former travel nurse Verna Maxwell Clarke filed a complaint against AMN Services, LLC, in California Superior Court in Los Angeles County. The Company removed the case to the United States District Court for the Central District of California (Case No. 2:16-cv-04132-DSF-KS) (the "Clarke Matter"). The complaint asserts that, due to the Company's per diem adjustment practices, traveling nurses' per diem benefits should be included in their regular rate of pay for the purposes of calculating their overtime compensation. The Company reached an agreement to settle this matter in its entirety and accordingly recorded an accrual amounting to $62,000. Final approval of the settlement was granted in the second quarter of 2024, and the Company disbursed the settlement amount in the third quarter of 2024.

## 10. BALANCE SHEET DETAILS

The consolidated balance sheets detail is as follows:

| | September 30, 2024 | December 31, 2023 |
|---|---|---|
| Other current assets: | | |
| Restricted cash and cash equivalents | $ 18,004 | $ 22,056 |
| Income taxes receivable | 8,953 | 5,350 |
| Other | 18,058 | 18,264 |
| Other current assets | $ 45,015 | $ 45,670 |
| Fixed assets: | | |
| Furniture and equipment | $ 86,776 | $ 71,815 |
| Software | 435,064 | 388,812 |
| Leasehold improvements | 16,102 | 15,839 |
| | 537,942 | 476,466 |
| Accumulated depreciation | (341,040) | (285,081) |
| Fixed assets, net | $ 196,902 | $ 191,385 |
| Other assets: | | |
| Life insurance cash surrender value | $ 193,736 | $ 162,780 |
| Operating lease right-of-use assets | 33,689 | 34,543 |
| Other | 39,841 | 39,473 |
| Other assets | $ 267,266 | $ 236,796 |
| Accounts payable and accrued expenses: | | |
| Trade accounts payable | $ 44,033 | $ 54,128 |
| Subcontractor payable | 72,024 | 122,983 |
| Accrued expenses | 75,928 | 82,257 |
| Loss contingencies | 7,963 | 69,837 |
| Professional liability reserve | 6,416 | 7,761 |
| Other | 6,842 | 6,881 |
| Accounts payable and accrued expenses | $ 213,206 | $ 343,847 |
| Accrued compensation and benefits: | | |
| Accrued payroll | $ 52,437 | $ 53,633 |
| Accrued bonuses and commissions | 23,800 | 31,236 |
| ESPP contributions | 53 | 950 |
| Workers compensation reserve | 6,169 | 12,130 |
| Deferred compensation | 188,738 | 165,574 |
| Other | 10,486 | 15,013 |
| Accrued compensation and benefits | $ 281,683 | $ 278,536 |
| Other current liabilities: | | |
| Client deposits | $ — | $ 8,707 |
| Operating lease liabilities | 6,363 | 7,993 |
| Deferred revenue | 12,738 | 11,303 |
| Other | 4,556 | 5,735 |
| Other current liabilities | $ 23,657 | $ 33,738 |
| Other long-term liabilities: | | |
| Workers compensation reserve | $ 22,531 | $ 21,169 |
| Professional liability reserve | 37,283 | 36,891 |
| Operating lease liabilities | 37,477 | 37,603 |
| Other | 13,468 | 13,316 |
| Other long-term liabilities | $ 110,759 | $ 108,979 |

## 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, 2023, filed with the Securities and Exchange Commission ("SEC") on February 22, 2024 ("2023 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 technology-enabled healthcare workforce solutions and staffing services to healthcare organizations across the nation. The Company provides access to a comprehensive network of healthcare professionals through its recruitment strategies and breadth of career opportunities. The Company helps providers optimize their workforce to reduce complexity and increase efficiency. The Company's total talent solutions include vendor neutral and managed services programs, clinical and interim healthcare leaders, temporary staffing, permanent placement, executive search, vendor management systems, recruitment process outsourcing, predictive modeling, language services, revenue cycle solutions, and other services. Clients include acute-care hospitals, community health centers and clinics, physician practice groups, retail and urgent care centers, home health facilities, schools and many other healthcare settings.

We conduct business through three reportable segments: (1) nurse and allied solutions, (2) physician and leadership solutions, and (3) technology and workforce solutions. For the three months ended September 30, 2024, we recorded revenue of $687.5 million, as compared to $853.5 million for the same period last year. For the nine months ended September 30, 2024, we recorded revenue of $2,249.1 million, as compared to $2,971.0 million for the same period last year.

Nurse and allied solutions segment revenue comprised 60% and 70% of total consolidated revenue for the nine months ended September 30, 2024 and 2023, respectively. Through our nurse and allied solutions segment, we provide hospitals, other healthcare facilities, and schools with a comprehensive set of staffing solutions, including direct, vendor neutral, and managed services solutions in which we manage and staff all the temporary and permanent nursing and allied staffing needs, as well as the revenue cycle management needs, of a client. A majority of our placements in this segment are under our managed services solution.

Physician and leadership solutions segment revenue comprised 25% and 17% of total consolidated revenue for the nine months ended September 30, 2024 and 2023, respectively. Through our physician and leadership solutions segment, we place physicians of all specialties, as well as dentists and advanced practice providers, with clients on a temporary basis, generally as independent contractors. We also recruit physicians and healthcare leaders for permanent placement and place interim leaders and executives across all healthcare settings. The interim healthcare leaders and executives we place are typically placed on contracts with assignment lengths ranging from a few days to one year.

Technology and workforce solutions segment revenue comprised 15% and 13% of total consolidated revenue for both of the nine months ended September 30, 2024 and 2023, respectively. Through our technology and workforce solutions segment, we provide hospitals and other healthcare facilities with a range of workforce solutions, including: (1) language services, (2) software-as-a-service ("SaaS")-based VMS technologies through which our clients can self-manage the procurement of contingent clinical labor and their internal float pool, (3) workforce optimization services that include consulting, data analytics, predictive modeling, and SaaS-based scheduling technology, and (4) recruitment process outsourcing services in which we recruit, hire and/or onboard permanent clinical and nonclinical positions on behalf of our clients.

## Operating Metrics

In addition to our consolidated and segment financial results, we monitor the following key metrics to help us evaluate our results of operations and financial condition and make strategic decisions. We believe this information is useful in understanding our operational performance and trends affecting our businesses.

- Average travelers on assignment represents the average number of nurse and allied healthcare professionals on assignment during the period, which is used by management as a measure of volume in our nurse and allied solutions segment;
- Bill rates represent the hourly straight-time rates that we bill to clients, which are an indicator of labor market trends and costs within our nurse and allied solutions segment;

- Billable hours represent the number of hours worked by our healthcare professionals that we are able to bill on client engagements, which are used by management as a measure of volume in our nurse and allied solutions segment;
- Days filled is calculated by dividing total locum tenens hours filled during the period by eight hours, which is used by management as a measure of volume in our locum tenens business within our physician and leadership solutions segment;
- Revenue per day filled is calculated by dividing revenue of our locum tenens business by days filled for the period, which is an indicator of labor market trends and costs in our locum tenens business within our physician and leadership solutions segment; and
- Minutes represent the time-based utilization of interpretation services that we are able to bill our clients, which are used by management as a measure of volume in our language services business within our technology and workforce solutions segment.

## Recent Trends

Since the COVID-19 pandemic subsided, healthcare organizations have aggressively hired permanent staff and focused on cost containment and alternative staffing models that enabled them to reduce utilization of contingent labor. As a result, demand in our travel nurse business declined significantly and continues to remain below pre-pandemic levels. During the second quarter and through the third quarter, we have seen an increase in demand as measured by open orders, although it has not yet been realized in travelers on assignment. In our allied staffing business, demand continues to be above pre-pandemic levels and was up slightly on a quarter-over-quarter basis and was up significantly year over year primarily from high demand in therapy and imaging.

For our nurse and allied solutions segment, in the third quarter we saw a decrease in overall staffing volume from prior year due to lower travel nurse demand in the second quarter and visa retrogression impacting international nurse staffing. Compared to the prior quarter, the average number of travelers on assignment in the third quarter was down due to the lower demand environment earlier in the year and schools seasonality. Bill rates in the third quarter were down modestly from the second quarter due to seasonal trends and continued client focus on cost savings.

In our physician and leadership solutions segment, demand for our locum tenens staffing business declined from the prior year though it was higher compared with the prior quarter. Certified registered nurse anesthetists (CRNAs) continue to be the largest specialty for our locum tenens staffing business. Revenue per day filled increased in the third quarter as compared to the prior year. Demand for our interim leadership and search businesses continues to be below prior year as some healthcare organizations defer hiring decisions or increase insourcing.

In our technology and workforce solutions segment, our language services business continued to experience an increase in minutes from our existing clients and growth from new clients. Volumes in our VMS business followed similar trends as our travel nurse business as compared to the prior year. VMS bill rates in the third quarter were down sequentially and year over year.

## 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 intangible assets purchased in a business combination, asset impairments, accruals for self-insurance, compensation and related benefits, accounts receivable, contingencies and litigation, contingent consideration (“earn-out”) liabilities associated with acquisitions, 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 as compared to the critical accounting policies and estimates described in our 2023 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) physician and leadership solutions, and (3) technology and workforce solutions. The MSDR acquisition impacts the comparability of the results between the three and nine months ended September 30, 2024 and 2023. See additional information in the accompanying Note (2), “Acquisitions.” Our historical results are not necessarily indicative of our future results of operations.

| | Three Months Ended September 30, | | Nine Months Ended September 30, | |
|---|---|---|---|---|
| | 2024 | 2023 | 2024 | 2023 |
| **Unaudited Condensed Consolidated Statements of Operations:** | | | | |
| Revenue | 100.0 % | 100.0 % | 100.0 % | 100.0 % |
| Cost of revenue | 69.0 | 66.1 | 68.9 | 66.7 |
| Gross profit | 31.0 | 33.9 | 31.1 | 33.3 |
| Selling, general and administrative | 21.8 | 19.1 | 21.1 | 19.2 |
| Depreciation and amortization | 6.0 | 4.6 | 5.6 | 3.9 |
| Income from operations | 3.2 | 10.2 | 4.4 | 10.2 |
| Interest expense, net, and other | 2.1 | 1.4 | 2.0 | 1.1 |
| Income before income taxes | 1.1 | 8.8 | 2.4 | 9.1 |
| Income tax expense | 0.1 | 2.6 | 0.6 | 2.4 |
| Net income | 1.0 % | 6.2 % | 1.8 % | 6.7 % |

***Comparison of Results for the Three Months Ended September 30, 2024 to the Three Months Ended September 30, 2023***

***Revenue.*** Revenue decreased 19% to $687.5 million for the three months ended September 30, 2024 from $853.5 million for the same period in 2023, attributable to a decline in organic revenue across our segments with the greatest decline in our nurse and allied solutions segment.

Nurse and allied solutions segment revenue decreased 30% to $399.4 million for the three months ended September 30, 2024 from $573.4 million for the same period in 2023. The $174.0 million decrease was primarily attributable to a 24% decrease in the average number of travelers on assignment, an approximately 8% decrease in the average bill rate, and a less than 1% decrease in average billable hours.

Physician and leadership solutions segment revenue increased 13% to $180.6 million for the three months ended September 30, 2024 from $159.6 million for the same period in 2023. The $21.0 million increase was attributable to higher revenue in our locum tenens business, which was partially offset by lower revenue in our interim leadership, physician permanent placement and executive search businesses. Revenue in our locum tenens business grew $29.2 million (or 26%) during the three months ended September 30, 2024 primarily due to additional revenue of $32.8 million in connection with the MSDR acquisition and a 5% increase in the revenue per day filled on an organic basis, partially offset by an 8% decrease in the number of days filled on an organic basis. Our interim leadership business experienced a decline of $2.0 million (or 7%) and our physician permanent placement and executive search businesses declined $6.1 million (or 38%) during the three months ended September 30, 2024, primarily due to lower demand.

Technology and workforce solutions segment revenue decreased 11% to $107.5 million for the three months ended September 30, 2024 from $120.5 million for the same period in 2023. The $13.0 million decrease was primarily attributable to a decline within our VMS and outsourced solutions businesses, partially offset by growth within our language services business. Revenue for our VMS business declined $13.1 million (or 34%) for similar reasons as nurse and allied solutions segment revenue and our outsourced solutions business experienced a decline of $8.4 million (or 77%) primarily due to lower demand, while our language services business grew $8.6 million (or 13%) primarily due to a 15% increase in minutes during the three months ended September 30, 2024.

For the three months ended September 30, 2024 and 2023, revenue under our MSP arrangements comprised approximately 44% and 51% of our consolidated revenue, 68% and 70% of our nurse and allied solutions segment revenue, 15% and 19% of our physician and leadership solutions segment revenue, and 3% and 2% of our technology and workforce solutions segment revenue, respectively.

***Cost of Revenue.*** Cost of revenue, which consists predominantly of compensation, benefits, housing, travel and allowance costs for healthcare professionals and medically qualified interpreters, decreased 16% to $474.5 million for the three months ended September 30, 2024 from $564.0 million for the same period in 2023. The $89.5 million decrease was attributable to a decline in our nurse and allied solutions segment, partially offset by increases in our physician and leadership solutions and technology and workforce solutions segments. The decrease in our nurse and allied solutions segment was primarily attributable to a $115.7 million decrease in clinician pay package costs, including housing, travel and allowances, primarily due to the aforementioned decrease in the average number of travelers on assignment. The increase in our physician and leadership solutions segment was driven by a $23.3 million increase in clinician pay package costs, primarily due to the MSDR acquisition. The increase in our technology and workforce solutions segment was primarily attributable to $2.7 million of higher compensation and benefits primarily due to the aforementioned increase in minutes in our language services business. Cost of revenue broken down among the reportable segments is as follows:

| | (In Thousands) Three Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Nurse and allied solutions | $ 299,617 | $ 415,563 |
| Physician and leadership solutions | 129,570 | 106,248 |
| Technology and workforce solutions | 45,267 | 42,146 |
| | $ 474,454 | $ 563,957 |

***Gross Profit.*** Gross profit decreased 26% to $213.1 million for the three months ended September 30, 2024 from $289.5 million for the same period in 2023, representing gross margins of 31.0% and 33.9%, respectively. The decline in consolidated gross margin for the three months ended September 30, 2024, as compared to the same period in 2023, was primarily due to (1) lower margins in our nurse and allied solutions and physician and leadership solutions segments driven by compression in clinician pay packages, including housing, travel and allowances and (2) a lower margin in our technology and workforce solutions segment primarily due to a change in sales mix resulting from lower revenue in our higher-margin VMS business and higher revenue in our lower-margin language services business. The overall decline was partially offset by a change in sales mix resulting from lower revenue in our nurse and allied solutions segment. Gross margin by reportable segment for the three months ended September 30, 2024 and 2023 was 25.0% and 27.5% for nurse and allied solutions, 28.3% and 33.4% for physician and leadership solutions, and 57.9% and 65.0% for technology and workforce solutions, respectively.

***Selling, General and Administrative Expenses.*** Selling, general and administrative ("SG&A") expenses consist predominantly of compensation and benefits costs for corporate employees, in addition to professional service fees, legal matter accruals and other overhead costs. SG&A expenses were $149.7 million, representing 21.8% of revenue, for the three months ended September 30, 2024, as compared to $163.4 million, representing 19.1% of revenue, for the same period in 2023. The decrease in SG&A expenses was primarily due to a $7.3 million decrease in professional services, legal and other expenses due to prudent expense management. The year-over-year increase in SG&A expenses in our physician and leadership solutions segment was driven by $5.8 million of additional SG&A expenses from the MSDR acquisition, partially offset by $4.6 million of lower segment expenses amid the decline in organic revenue. SG&A expenses broken down among the reportable segments, unallocated corporate overhead, and share-based compensation are as follows:

| | (In Thousands) Three Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Nurse and allied solutions | $ 64,641 | $ 74,981 |
| Physician and leadership solutions | 32,901 | 31,697 |
| Technology and workforce solutions | 22,249 | 29,225 |
| Unallocated corporate overhead | 24,335 | 27,196 |
| Share-based compensation | 5,555 | 306 |
| | $ 149,681 | $ 163,405 |

***Depreciation and Amortization Expenses.*** Amortization expense decreased 2% to $22.1 million for the three months ended September 30, 2024 from $22.6 million for the same period in 2023, primarily attributable to having more intangible assets fully amortized during the three months ended September 30, 2024, partially offset by additional amortization expense related to the intangible assets acquired in the MSDR acquisition. Depreciation expense (exclusive of depreciation included in cost of revenue) increased 14% to $19.0 million for the three months ended September 30, 2024 from $16.6 million for the same period in 2023, primarily attributable to an increase in purchased and developed hardware and software placed in service for our ongoing technology investments to support our tech-centric total talent solutions initiatives and to optimize our internal front and back-office systems. Additionally, $1.9 million and $1.6 million of depreciation expense for our language services business is included in cost of revenue for the three months ended September 30, 2024 and 2023, respectively.

***Interest Expense, Net, and Other*.** Interest expense, net, and other was $14.4 million during the three months ended September 30, 2024 as compared to $11.5 million for the same period in 2023. The increase was primarily due to a higher average debt outstanding balance during the three months ended September 30, 2024.

***Income Tax Expense*.** Income tax expense was $0.8 million for the three months ended September 30, 2024 as compared to $22.2 million for the same period in 2023, reflecting effective income tax rates of 10% and 29% for these periods, respectively. The decrease in the effective income tax rate was primarily attributable to the recognition of a net discrete tax benefit of $2.2 million during the three months ended September 30, 2024 compared to a $1.4 million net discrete tax expense during the same period in 2023, in relation to income before income taxes of $7.8 million and $75.4 million for the three months ended September 30, 2024 and 2023, respectively. We currently estimate our annual effective tax rate to be approximately 24% for 2024. The 10% effective tax rate for the three months ended September 30, 2024 differs from our estimated annual effective tax rate of 24% primarily due to certain discrete tax benefits recognized during the three months ended September 30, 2024, in relation to income before income taxes.

***Comparison of Results for the Nine Months Ended September 30, 2024 to the Nine Months Ended September 30, 2023***

***Revenue.*** Revenue decreased 24% to $2,249.1 million for the nine months ended September 30, 2024 from $2,971.0 million for the same period in 2023, attributable to a decline in organic revenue across our segments with the greatest decline in our nurse and allied solutions segment.

Nurse and allied solutions segment revenue decreased 35% to $1,361.1 million for the nine months ended September 30, 2024 from $2,086.9 million for the same period in 2023. The $725.8 million decrease was primarily attributable to a 24% decrease in the average number of travelers on assignment, an approximately 12% decrease in the average bill rate, and a 2% decrease in average billable hours.

Physician and leadership solutions segment revenue increased 11% to $555.5 million for the nine months ended September 30, 2024 from $501.5 million for the same period in 2023. The $54.0 million increase was attributable to higher revenue in our locum tenens business, which was partially offset by lower revenue in our interim leadership, physician permanent placement and executive search businesses. Revenue in our locum tenens business grew $88.6 million (or 26%) during the nine months ended September 30, 2024 primarily due to additional revenue of $104.0 million in connection with the MSDR acquisition and a 6% increase in the revenue per day filled on an organic basis, partially offset by a 10% decrease in the number of days filled on an organic basis. Our interim leadership business experienced a decline of $18.2 million (or 17%) and our physician permanent placement and executive search businesses declined $16.5 million (or 31%) during the nine months ended September 30, 2024, primarily due to lower demand.

Technology and workforce solutions segment revenue decreased 13% to $332.5 million for the nine months ended September 30, 2024 from $382.5 million for the same period in 2023. The $50.0 million decrease was primarily attributable to a decline within our VMS and outsourced solutions businesses, partially offset by growth within our language services business. Revenue for our VMS business declined $57.2 million (or 41%) for similar reasons as nurse and allied solutions segment revenue and our outsourced solutions business experienced a decline of $20.6 million (or 61%) primarily due to lower demand, while our language services business grew $30.0 million (or 16%) primarily due to an 18% increase in minutes during the nine months ended September 30, 2024.

For the nine months ended September 30, 2024 and 2023, revenue under our MSP arrangements comprised approximately 46% and 55% of our consolidated revenue, 70% and 73% of our nurse and allied solutions segment revenue, 14% and 20% of our physician and leadership solutions segment revenue, and 3% and 2% of our technology and workforce solutions segment revenue, respectively.

***Cost of Revenue.*** Cost of revenue decreased 22% to $1,548.7 million for the nine months ended September 30, 2024 from $1,982.4 million for the same period in 2023. The $433.7 million decrease was attributable to a decline in our nurse and allied solutions segment, partially offset by increases in our physician and leadership solutions and technology and workforce solutions segments. The decrease in our nurse and allied solutions segment was primarily attributable to a $500.8 million decrease in clinician pay package costs, including housing, travel and allowances, primarily due to the aforementioned decrease in the average number of travelers on assignment. The increase in our physician and leadership solutions segment was driven by a $59.9 million increase in clinician pay package costs, primarily due to the MSDR acquisition. The increase in our technology and workforce solutions segment was primarily attributable to $11.4 million of higher compensation and benefits primarily due to the aforementioned increase in minutes in our language services business. Cost of revenue broken down among the reportable segments is as follows:

| | (In Thousands) Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Nurse and allied solutions | $ 1,025,384 | $ 1,531,416 |
| Physician and leadership solutions | 388,141 | 327,983 |
| Technology and workforce solutions | 135,159 | 122,953 |
| | $ 1,548,684 | $ 1,982,352 |

***Gross Profit.*** Gross profit decreased 29% to $700.4 million for the nine months ended September 30, 2024 from $988.6 million for the same period in 2023, representing gross margins of 31.1% and 33.3%, respectively. The decline in consolidated gross margin for the nine months ended September 30, 2024, as compared to the same period in 2023, was primarily due to (1) lower margins in our nurse and allied solutions and physician and leadership solutions segments driven by compression in clinician pay packages, including housing and travel and (2) a lower margin in our technology and workforce solutions segment primarily due to a change in sales mix resulting from lower revenue in our higher-margin VMS business and higher revenue in our lower-margin language services business. The overall decline was partially offset by a change in sales mix resulting from lower revenue in our nurse and allied solutions segment. Gross margin by reportable segment for the nine months ended September 30, 2024 and 2023 was 24.7% and 26.6% for nurse and allied solutions, 30.1% and 34.6% for physician and leadership solutions, and 59.4% and 67.9% for technology and workforce solutions, respectively.

***Selling, General and Administrative Expenses.*** SG&A expenses were $473.6 million, representing 21.1% of revenue, for the nine months ended September 30, 2024, as compared to $570.8 million, representing 19.2% of revenue, for the same period in 2023. The decrease in SG&A expenses was primarily due to $44.0 million of lower employee compensation and benefits (inclusive of share-based compensation) amid lower organic revenue across our segments, a $27.9 million decrease in professional services, legal and other expenses driven by a $21.0 million increase in the legal settlement accrual for the Clarke matter recognized in the prior year, an approximately $16.3 million decrease in other expenses associated with our revenue decline, and a $2.4 million decrease related to changes in the fair value of contingent consideration liabilities from acquisitions recognized in the prior year. The year-over-year increase in SG&A expenses in our physician and leadership solutions segment was driven by $19.2 million of additional SG&A expenses from the MSDR acquisition, partially offset by $16.7 million of lower employee compensation and benefits on an organic basis amid the decline in organic revenue. SG&A expenses broken down among the reportable segments, unallocated corporate overhead, and share-based compensation are as follows:

| | (In Thousands) Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Nurse and allied solutions | $ 201,021 | $ 256,185 |
| Physician and leadership solutions | 105,309 | 100,392 |
| Technology and workforce solutions | 69,268 | 90,470 |
| Unallocated corporate overhead | 78,318 | 108,286 |
| Share-based compensation | 19,651 | 15,442 |
| | $ 473,567 | $ 570,775 |

***Depreciation and Amortization Expenses.*** Amortization expense increased 8% to $71.7 million for the nine months ended September 30, 2024 from $66.3 million for the same period in 2023, primarily attributable to additional amortization expense related to the intangible assets acquired in the MSDR acquisition. Depreciation expense (exclusive of depreciation included in cost of revenue) increased 17% to $55.2 million for the nine months ended September 30, 2024 from $47.3 million for the same period in 2023, primarily attributable to an increase in purchased and developed hardware and software placed in service for our ongoing technology investments to support our tech-centric total talent solutions initiatives and to optimize our internal front and back-office systems. Additionally, $5.4 million and $4.2 million of depreciation expense for our language services business is included in cost of revenue for the nine months ended September 30, 2024 and 2023, respectively.

***Interest Expense, Net, and Other***. Interest expense, net, and other was $46.8 million during the nine months ended September 30, 2024 as compared to $34.0 million for the same period in 2023. The increase was primarily due to a higher average debt outstanding balance during the nine months ended September 30, 2024.

***Income Tax Expense***. Income tax expense was $12.5 million for the nine months ended September 30, 2024 as compared to $72.1 million for the same period in 2023, reflecting effective income tax rates of 24% and 27% for the nine months ended September 30, 2024 and 2023, respectively. The decrease in the effective income tax rate was primarily attributable to the Company's recognition of a net discrete tax benefit of $5.5 million during the nine months ended September 30, 2024 compared to a net discrete tax benefit of $2.9 million recognized during the same period in 2023, in relation to income before income taxes of $53.1 million and $270.3 million for the nine months ended September 30, 2024 and 2023, respectively.

## Liquidity and Capital Resources

In summary, our cash flows were:

| | (In Thousands) Nine Months Ended September 30, | |
|---|---|---|
| | 2024 | 2023 |
| Net cash provided by operating activities | $ 247,604 | $ 413,295 |
| Net cash used in investing activities | (65,735) | (88,762) |
| Net cash used in financing activities | (179,550) | (352,766) |
| Net increase (decrease) in cash, cash equivalents and restricted cash | $ 2,319 | $ (28,233) |

Historically, our primary liquidity requirements have been for acquisitions, working capital requirements, and debt service under our credit facilities and senior notes. We have funded these requirements through internally generated cash flow and funds borrowed under our credit facilities and senior notes.

As of September 30, 2024, (1) $285.0 million was drawn with $444.6 million of available credit under our $750.0 million secured revolving credit facility (the "Senior Credit Facility"), (2) the aggregate principal amount of our 4.625% senior notes due 2027 (the "2027 Notes") outstanding was $500.0 million, and (3) the aggregate principal amount of our 4.000% senior notes due 2029 (the "2029 Notes") outstanding was $350.0 million. We describe in further detail our Amended Credit Agreement (as defined below), under which the Senior Credit Facility is governed, the 2027 Notes, and the 2029 Notes in Part II, Item 8, "Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (8), Notes Payable and Credit Agreement" of our 2023 Annual Report.

As of September 30, 2024, the total of our contractual obligations under operating leases with initial terms in excess of one year was $52.7 million. We describe in further detail our operating lease arrangements in Part II, Item 8, "Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (5), Leases" of our 2023 Annual Report. We also have various obligations and working capital requirements, such as certain tax and legal matters, contingent consideration and other liabilities, that are recorded on our consolidated balance sheets. See additional information in the accompanying Note (7), "Fair Value Measurement," Note (8), "Income Taxes," Note (9), "Commitments and Contingencies," and Note (10), "Balance Sheet Details."

In addition to our cash requirements, we have a share repurchase program authorized by our board of directors, which does not require the purchase of any minimum number of shares and may be suspended or discontinued at any time. See additional information in the accompanying Part II, Item 2, "Unregistered Sales of Equity Securities and Use of Proceeds."

We believe that cash generated from operations and available borrowings under the Senior Credit Facility will be sufficient to fund our operations and liquidity requirements, 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 the Senior Credit Facility or other borrowings under our Amended 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 nine months ended September 30, 2024 was $247.6 million, compared to $413.3 million for the same period in 2023. The decrease in net cash provided by operating activities was primarily attributable to (1) a decrease in net income excluding non-cash expenses of $186.9 million primarily due to a decline in segment operating income across our segments, (2) a decrease in other liabilities between periods of $62.8 million primarily due to prior year increases in income taxes payable (resulting from the timing of income tax payments) and accrued loss contingencies, (3) an increase in income taxes receivable between periods of $12.5 million primarily due to an overpayment of estimated taxes during the year ended December 31, 2022, and (4) a decrease in accounts payable and accrued expenses between periods of $9.0 million primarily due to payment of the legal settlement amount for the Clarke matter in the current year, partially offset by a larger decrease in the subcontractor payable balance in the prior year as compared to the current year primarily attributable to declines in associate vendor usage and timing of payments. The overall decrease in net cash provided by operating activities was partially offset by (1) an increase in accrued compensation and benefits between periods of $62.2 million primarily due to bonuses and commissions that were paid during the three months ended March 31, 2023 and (2) a decrease in accounts receivable and subcontractor receivables between periods of $41.8 million primarily due to a larger decrease in the receivables balance in the current year as compared to the prior year, which was primarily attributable to declines in revenue and associate vendor usage during the nine months ended September 30, 2024 along with timing of collections. Our Days Sales Outstanding ("DSO") was 60 days at September 30, 2024, 70 days at December 31, 2023, and 61 days at September 30, 2023.

***Investing Activities***

Net cash used in investing activities for the nine months ended September 30, 2024 was $65.7 million, compared to net cash used in investing activities of $88.8 million for the same period in 2023. The decrease was primarily due to $8.4 million of payments to fund the deferred compensation plan during the nine months ended September 30, 2024, as compared to $24.9 million of payments during the nine months ended September 30, 2023. In addition, capital expenditures were $64.7 million and $73.8 million for the nine months ended September 30, 2024 and 2023, respectively.

***Financing Activities***

Net cash used in financing activities during the nine months ended September 30, 2024 was $179.6 million, due to repayments of $260.0 million under the Senior Credit Facility and $4.6 million in cash paid for shares withheld for payroll taxes resulting from the vesting of employee equity awards, partially offset by borrowings of $85.0 million under the Senior Credit Facility. Net cash used in financing activities during the nine months ended September 30, 2023 was $352.8 million, due to (1) $424.7 million paid in connection with the repurchase of our common stock, (2) repayments of $330.0 million under the Senior Credit Facility, (3) $11.9 million in cash paid for shares withheld for payroll taxes resulting from the vesting of employee equity awards, (4) $7.5 million for acquisition contingent consideration earn-out payments and (5) $3.6 million payment of financing costs in connection with the Third Amendment (as defined below), all of which was partially offset by borrowings of $425.0 million under the Senior Credit Facility.

***Amended Credit Agreement***

On February 10, 2023, we entered into the third amendment to our credit agreement (the "Third Amendment"). The Third Amendment (together with the credit agreement as amended to such date, collectively, the "Amended Credit Agreement") provided for, among other things, an increase to the revolving commitments under the Senior Credit Facility to $750.0 million and an extension of the maturity date of the Amended Credit Agreement to February 10, 2028. As reported in our Current Report on Form 8-K filed on November 7, 2024, on November 5, 2024, we entered into the fourth amendment to our credit agreement (the "Fourth Amendment") which increased our consolidated net leverage ratio covenant for the year ending December 31, 2025. Our obligations under the Amended Credit Agreement are secured by substantially all of our assets. We describe in further detail the terms of the Amended Credit Agreement in Part II, Item 8, "Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (8), Notes Payable and Credit Agreement" of our 2023 Annual Report.

***Letters of Credit***

At September 30, 2024, we maintained outstanding standby letters of credit totaling $20.9 million as collateral in relation to our workers' compensation insurance agreements and a corporate office lease agreement. Of the $20.9 million of outstanding letters of credit, we have collateralized approximately $0.6 million in cash and cash equivalents and the remaining approximately $20.4 million is collateralized by the Senior Credit Facility. Outstanding standby letters of credit at December 31, 2023 totaled $21.3 million.

## Recent Accounting Pronouncements

In November 2023, the FASB issued Accounting Standards Update ("ASU") 2023-07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," which expands the breadth and frequency of reportable segment disclosure requirements, primarily though enhanced disclosures about significant segment expenses. The new guidance requires public entities to disclose, on an annual and interim basis, significant segment expenses that are regularly provided to the chief operating decision maker ("CODM"), the amount and composition of other segment items by reportable segment, any additional measures of a segment's profit or loss used by the CODM when assessing performance and deciding how to allocate resources, and the CODM's title and position. Additionally, public entities will be required to provide in interim periods all disclosures about a reportable segment's profit or loss that are currently required annually by Topic 280. This standard is effective on a retrospective basis for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of adopting this standard on our disclosures.

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures," which is intended to enhance the transparency and decision-usefulness of income tax disclosures. The new guidance addresses investor requests for enhanced income tax information primarily through requiring disclosure of additional information about and further disaggregation of the rate reconciliation and income taxes paid. This standard is effective on a prospective basis for fiscal years beginning after December 15, 2024, with early adoption permitted. We are currently evaluating the impact of adopting this standard on our disclosures.

In November 2024, the FASB issued ASU 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses," which is intended to improve disclosures about the expenses of public entities. The new guidance requires more detailed information about the types of expenses in commonly presented expense captions (such as cost of sales and selling, general, and administrative expenses) and requires public entities to disclose, on an annual and interim basis, the amounts of expenses included in each relevant expense caption presented on the face of the income statement within continuing operations, in a tabular format. Additionally, public entities will be required to disclose a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively, the total amount of selling expenses and, in annual reporting periods, the definition of selling expenses. This standard is effective on either a prospective or retrospective basis for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. We are currently evaluating the impact of adopting this standard on our disclosures.

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 demand or supply trends, 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 2023 Annual Report and include but are not limited to:

- the duration and extent to which hospitals and other healthcare entities adjust their utilization of temporary nurses and allied healthcare professionals, physicians, healthcare leaders and other healthcare professionals and workforce technology applications as a result of the labor market or economic conditions;
- the ability of our clients to increase the efficiency and effectiveness of their staffing management and recruiting efforts, through predictive analytics, online recruiting, telemedicine or otherwise, and successfully hire and retain permanent staff, which may negatively affect our revenue, results of operations, and cash flows;
- the effects of the COVID-19 pandemic or any future pandemic or health crisis on our business, financial condition and results of operations;

- the severity and duration of the impact the COVID-19 pandemic or any future pandemic or health crisis, the "Great Resignation," economic downturns, inflation, recession or slow recoveries have on the financial condition and cash flow of many hospitals and healthcare systems such that it impairs their ability to make payments to us, timely or otherwise, for services rendered;
- the extent to which a resurgence in the COVID-19 pandemic may disrupt our operations due to the unavailability of our employees or healthcare professionals because of illness, risk of illness, quarantines, travel restrictions, mandatory vaccination requirements, desire to travel and work on temporary assignments or other factors that limit our existing or potential workforce and pool of candidates;
- the effects of economic downturns, inflation, recession or slow recoveries, which could result in less demand for our services, increased client initiatives designed to contain costs, including reevaluating their approach as it pertains to contingent labor and managed services programs;
- 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 and requirements;
- the negative effects that intermediary organizations may have on our ability to secure new and profitable contracts;
- the level of consolidation and concentration of buyers of healthcare workforce, staffing and technology solutions, which could affect the pricing of our services and our ability to mitigate concentration risk;
- 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 grow and operate our business profitably in compliance with federal and state regulation, including privacy laws, 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, anti-competitive conduct, 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, an increase in competition, or the ability of our competitors to respond more quickly to new or emerging client needs and marketplace conditions, which may harm our business and/or impact our ability to compete;
- disruption to or failures of our SaaS-based or technology-enabled services, or our inability to adequately protect our intellectual property rights with respect to such technologies or sufficiently protect the privacy of personal information, could reduce client satisfaction, harm our reputation and negatively affect our business;
- security breaches and cybersecurity incidents, including ransomware, 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 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, including offshore vendors, 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 operations;
- 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 intangible assets on our balance sheet, which would adversely affect our results of operations;
- 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 and nine months ended September 30, 2024, our primary exposure to market risk was interest rate risk associated with our variable interest debt instruments and our investment portfolio. 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 and nine months ended September 30, 2024. A 100 basis point change in interest rates as of September 30, 2024 would not have resulted in a material effect on the fair value of our investment portfolio. For our investments that are classified as available-for-sale, unrealized gains or losses related to fluctuations in market volatility and interest rates are reflected within stockholders' equity in accumulated other comprehensive loss in the consolidated balance sheets. Such unrealized gains or losses would be realized only if we sell the investments prior to maturity.

During the three and nine months ended September 30, 2024, 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 September 30, 2024 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 September 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

# PART II - OTHER INFORMATION

## Item 1. *Legal Proceedings*

Information with respect to this item may be found in the accompanying Note (9), “Commitments and Contingencies,” which is incorporated herein by reference.

## 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 2023 Annual Report. The risk factors described in our 2023 Annual Report are not the only risks we face. Factors we currently do not know, factors that we currently consider immaterial or factors that are not specific to us, such as general economic conditions, may also materially adversely affect our business or our consolidated operating results, financial condition or cash flows.

## 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 of directors (the “Board”). On November 1, 2016, our Board authorized us to repurchase up to $150.0 million of our outstanding common stock in the open market. On November 10, 2021, February 17, 2022, June 15, 2022, and February 16, 2023, we announced increases to the repurchase program totaling $1,200.0 million. These increases brought the total authorization of the repurchase program to $1,350.0 million, of which $226.7 million remained as of September 30, 2024. Under the repurchase program announced on November 1, 2016 and the aforementioned increases (collectively, the “Company Repurchase Program”), share repurchases may be made from time to time, 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 nine months ended September 30, 2024, we did not repurchase any shares of common stock. We describe in further detail the Company Repurchase Program and the shares repurchased thereunder in Part II, Item 5, “Market For Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities” and Item 8, “Financial Statements and Supplementary Data—Notes to Consolidated Financial Statements—Note (10)(b), Capital Stock—Treasury Stock” set forth in our 2023 Annual Report.

## Item 3. *Defaults Upon Senior Securities*

None.

## Item 4. *Mine Safety Disclosures*

Not applicable.

## Item 5. *Other Information*

During the three months ended September 30, 2024, none of the Company’s directors or officers adopted, modified or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement” as such terms are defined under Item 408 of Regulation S-K.

## Item 6. *Exhibits*

| Exhibit Number | Description |
|---|---|
| 4.1 | Fourth Amendment to Credit Agreement, dated as of November 5th, 2024, by and among AMN Healthcare, Inc., as borrower, the guarantors party thereto, the lenders identified on the signature pages thereto, as lenders, and Truist Bank, as administrative agent.* |
| 10.1 | Form of AMN 2017 Healthcare Equity Plan Restricted Stock Unit Agreement - Executive (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).* |
| 31.1 | Certification by Caroline S. Grace pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.* |
| 31.2 | Certification by Jeffrey R. Knudson pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934.* |
| 32.1 | Certification by Caroline S. Grace 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 Jeffrey R. Knudson pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.* |
| 101.INS | XBRL Instance Document.* |
| 101.SCH | XBRL Taxonomy Extension Schema Document.* |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase Document.* |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase Document.* |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase Document.* |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase Document.* |

* 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: November 7, 2024

**AMN HEALTHCARE SERVICES, INC.**

/S/ CAROLINE S. GRACE

**Caroline S. Grace**
**President and Chief Executive Officer**
**(Principal Executive Officer)**

Date: November 7, 2024

/S/ JEFFREY R. KNUDSON

**Jeffrey R. Knudson**
**Chief Financial Officer**
**(Principal Financial and Accounting Officer)**

# FOURTH AMENDMENT TO CREDIT AGREEMENT

**THIS FOURTH AMENDMENT TO CREDIT AGREEMENT** (this "Amendment"), dated as of November 5, 2024, is entered into among **AMN HEALTHCARE, INC.**, a Nevada corporation (the "Borrower"), **AMN HEALTHCARE SERVICES, INC.**, a Delaware corporation (the "Parent"), the Subsidiary Guarantors identified on the signature pages hereto, the lenders identified on the signature pages hereto (the "Lenders") and **TRUIST BANK**, as Administrative Agent (the "Administrative Agent").

**W I T N E S S E T H**

**WHEREAS**, the Borrower, the Parent, the Subsidiary Guarantors, the Lenders party thereto and the Administrative Agent have entered into that certain Credit Agreement dated as of February 9, 2018 (as amended, restated, supplemented or otherwise modified prior to the date hereof, the "Existing Credit Agreement");

**WHEREAS**, the Borrower has requested certain modifications to the Existing Credit Agreement, on the terms set forth herein (such amendments, collectively, the "Proposed Amendments"); and

**WHEREAS**, the Lenders party to this Amendment have agreed to provide the Proposed Amendments on the terms and conditions provided herein;

**NOW, THEREFORE**, in consideration of the agreements hereinafter set forth, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties hereto agree as follows:

## PART 1
## DEFINITIONS

**SUBPART 1.1** Certain Definitions. Unless otherwise defined herein or the context otherwise requires, the following terms used in this Amendment, including its preamble and recitals, have the following meanings:

"Amended Credit Agreement" means the Existing Credit Agreement as amended hereby.

"Fourth Amendment" has the meaning set forth in Part 3.

**SUBPART 1.2** Other Definitions. Unless otherwise defined herein or the context otherwise requires, terms used in this Amendment, including its preamble and recitals, have the meanings provided in the Existing Credit Agreement.

## PART 2
## AMENDMENT TO EXISTING CREDIT AGREEMENT

Effective on (and subject to the occurrence of) the Fourth Amendment Effective Date, Section 8.18(a) of the Existing Credit Agreement is hereby amended and restated in its entirety as follows:

(a) Consolidated Net Leverage Ratio. The Credit Parties shall not permit the Consolidated Net Leverage Ratio as of the last day of any fiscal quarter of the Consolidated Parties to be greater than (i) at all times prior to and including September 30, 2024, 4.00 to 1.00, (ii) at all times from and after December 31, 2024 to and including December 31, 2025, 4.50 to 1.00, and (iii) at all times following December 31, 2025, 4.00 to 1.00; provided, however, notwithstanding the foregoing, following any Significant Acquisition by a Consolidated Party or any Subsidiary or Subsidiaries of any Consolidated Party that occurs at any time following December 31, 2025, and following the delivery of an Acquisition Leverage Ratio Notice, the Consolidated Parties shall have the ability to increase the applicable Consolidated Net Leverage Ratio to be less than or equal to 4.50 to 1.00 with respect to the fiscal quarter during which such Significant Acquisition occurs and the next four (4) fiscal quarters thereafter.

## PART 3
## CONDITIONS TO EFFECTIVENESS

**SUBPART 3.1** Fourth Amendment Effective Date. This Amendment shall be and become effective as of the date hereof (the "Fourth Amendment Effective Date") when all of the conditions set forth in this Part 3 shall have been satisfied, and thereafter this Amendment shall be known, and may be referred to, as the "Fourth Amendment".

**SUBPART 3.2** Execution of Counterparts of Amendment. The Administrative Agent shall have received counterparts of this Amendment, which collectively shall have been duly executed on behalf of each of the Borrower, the Parent, the Subsidiary Guarantors and each of the Lenders.

**SUBPART 3.3** Fees and Expenses. The Administrative Agent or one of its affiliates shall have received from the Borrower (i) for the account of each undersigned Lender (including Truist Bank), an amendment fee in an amount equal to ten (10) basis points on the aggregate amount of each such undersigned Lender's Commitment, (ii) the aggregate amount of all other reasonable and documented fees and expenses payable to the Administrative Agent, the Lenders (as applicable) and Truist Securities, Inc. (or its affiliates) in connection with the consummation of the transactions contemplated hereby, and (iii) all reasonable and documented out-of-pocket costs and expenses of the Administrative Agent in connection with the preparation, execution and delivery of this Amendment, including without limitation the reasonable fees and expenses of Cadwalader, Wickersham & Taft LLP, counsel to the Administrative Agent.

## PART 4
## MISCELLANEOUS

**SUBPART 4.1** Representations and Warranties. The Borrower hereby represents and warrants to the Administrative Agent and the Lenders that, (a) no Default or Event of Default exists under the Existing Credit Agreement, both before and after giving effect to this Amendment and (b) the representations and warranties set forth in Section 6 of the Amended Credit Agreement are, subject to the limitations set forth therein, true and correct in all material respects (except to the extent that any representation and warranty is qualified by materiality, in which case such representation and warranty shall be true and correct in all respects) as of the date hereof (except for those which expressly relate to an earlier date, in which case, they were true and correct in all material respects as of such earlier date).

**SUBPART 4.2** Cross-References. References in this Amendment to any Part or Subpart are, unless otherwise specified, to such Part or Subpart of this Amendment.

**SUBPART 4.3** Instrument Pursuant to Existing Credit Agreement. This Amendment is executed pursuant to the Existing Credit Agreement and shall (unless otherwise expressly indicated therein) be construed, administered and applied in accordance with the terms and provisions of the Existing Credit Agreement.

**SUBPART 4.4** References in Other Credit Documents. At such time as this Amendment shall become effective pursuant to the terms of Subpart 3.1, all references to the "Credit Agreement" shall be deemed to refer to the Amended Credit Agreement.

**SUBPART 4.5** Counterparts. This Amendment may be executed by the parties hereto in several counterparts, each of which shall be deemed to be an original and all of which shall constitute together but one and the same agreement. Delivery of executed counterparts of the Amendment by facsimile or other electronic transmission shall be effective as an original and shall constitute a representation that an original shall be delivered upon the request of the Administrative Agent.

**SUBPART 4.6** Governing Law. THIS AMENDMENT SHALL BE DEEMED TO BE A CONTRACT MADE UNDER AND GOVERNED BY THE LAWS OF THE STATE OF NEW YORK.

**SUBPART 4.7** Acknowledgment. The Guarantors acknowledge and consent to all of the terms and conditions of this Amendment and agree that this Amendment does not operate to reduce or discharge the Guarantors' obligations under the Amended Credit Agreement or the other Credit Documents. Each Guarantor also hereby confirms and agrees that notwithstanding the effectiveness of this Amendment, the Collateral Documents to which each of the undersigned is a party and all of the Collateral described therein do, and shall continue to, secure the payment of all of the Credit Party Obligations.

**SUBPART 4.8** Binding Effect. This Amendment, the Existing Credit Agreement as amended by this Amendment and the other Credit Documents embody the entire agreement between the parties and supersede all prior agreements and understandings, if any, relating to the subject matter hereof. These Credit Documents represent the final agreement between the parties and may not be contradicted by evidence of prior, contemporaneous or subsequent oral agreements of the parties. Except as expressly modified and amended in this Amendment, all the terms, provisions and conditions of the Credit Documents shall remain unchanged and shall continue in full force and effect.

**SUBPART 4.9** Successors and Assigns. This Amendment shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**SUBPART 4.10** General. Except as amended hereby, the Existing Credit Agreement and all other Credit Documents shall continue in full force and effect.

**SUBPART 4.11** Severability. If any provision of this Amendment is determined to be illegal, invalid or unenforceable, such provision shall be fully severable and the remaining provisions shall remain in full force and effect and shall be construed without giving effect to the illegal, invalid or unenforceable provisions.

**SUBPART 4.12** Ratification. Each Credit Party acknowledges and consents to the terms set forth herein and agrees that this Amendment does not impair, reduce or limit any of its obligations under the Credit Documents, as amended hereby, and that each of the Credit Documents, as amended hereby, is ratified and confirmed in all respects. This Amendment is a Credit Document.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the parties hereto have executed this Amendment as of the date first above written.

**BORROWER**: **AMN HEALTHCARE, INC.**

By: /s/ Cary Grace
Name: Cary Grace
Title: Chief Executive Officer

**PARENT**: **AMN HEALTHCARE SERVICES, INC.**

By: /s/ Cary Grace
Name: Cary Grace
Title: Chief Executive Officer

**<u>SUBSIDIARY GUARANTORS</u>**:

**AMN ALLIED SERVICES, LLC,**
a Delaware limited liability company
**AMN HEALTHCARE ALLIED, INC.,**
a Texas corporation
**AMN HEALTHCARE LANGUAGE SERVICES, INC.**,
a Delaware corporation
**AMN LEADERSHIP SOLUTIONS, INC.,**
a Delaware corporation
**AMN SERVICES, LLC,**
a North Carolina limited liability company
**AMN STAFFING SERVICES, LLC,**
a Delaware limited liability company
**AMN WORKFORCE SOLUTIONS, LLC,**
a Delaware limited liability company
**ADVANCED MEDICAL PERSONNEL SERVICES, LLC,**
a Delaware limited liability company
**AVANTAS, LLC,**
a Nebraska limited liability company
**B4HEALTH, LLC**,
a Maryland limited liability company
**AMN HEALTHCARE INTERIM SOLUTIONS, LLC,**
a Delaware limited liability company
**CONNETICS COMMUNICATIONS, LLC,**
a California limited liability company
**DRWANTED.COM LLC**,
a Delaware limited liability company
**AMN HEALTHCARE LABOR DISRUPTION, INC.,**
a California corporation
**MEDEFIS, INC.,**
a Delaware corporation
**AMN HEALTHCARE PHYSICIAN PERMANENT PLACEMENT, INC.,**
a California limited liability company
**MSI SYSTEMS CORP.**,
a Pennsylvania corporation
**NURSEFINDERS, LLC**,
a Texas limited liability company
**O'GRADY-PEYTON INTERNATIONAL (USA), INC.,**
a Massachusetts corporation
**SHIFTWISE, INC.,**
an Oregon corporation
**SILVERSHEET INC.,**
a Delaware corporation
**AMN HEALTHCARE LOCUM TENENS, INC.,**
a Delaware corporation
**SYNZI, LLC**,
a Delaware limited liability company

By: <u>/s/ Cary Grace</u>
Name: Cary Grace
Title: Chief Executive Officer

**ADMINISTRATIVE AGENT**: **TRUIST BANK**,

in its capacity as Administrative Agent

By: /s/ Anton Brykalin
Name: Anton Brykalin
Title: Director

**LENDERS**: **TRUIST BANK,**

in its capacity as Lender, Issuing Lender and Swingline Lender

By: /s/ Anton Brykalin
Name: Anton Brykalin
Title: Director

**BANK OF AMERICA, N.A.,**
as a Lender

By: /s/ Said Saffari
Name: Said Saffari
Title: Credit Officer

[Signatures Continued]

**JPMORGAN CHASE BANK, N.A.,**
as a Lender

By: /s/ William R. Doolittle
Name: William R. Doolittle
Title: Executive Director

[Signatures Continued]

**WELLS FARGO BANK, NATIONAL ASSOCIATION,**
as a Lender

By: /s/ Eugene Stunson
Name: Eugene Stunson
Title: Executive Director

[Signatures Continued]

**PNC BANK, NATIONAL ASSOCIATION,**
as a Lender

By: /s/ Courtney Wojcik
Name: Courtney Wojcik
Title: Vice President

[Signatures Continued]

**BMO HARRIS BANK, N.A.,**
as a Lender

By: /s/ James Wade
Name: James Wade
Title: Director

[Signatures Continued]

**HANCOCK WHITNEY BANK,**
as a Lender

By: /s/ Michael Woodnorth
Name: Michael Woodnorth
Title: Vice President

[Signatures Continued]

**GOLDMAN SACHS BANK USA,**
as a Lender

By: /s/ Priyankush Goswami
Name: Priyankush Goswami
Title: Authorized Signatory

[Signatures Continued]

**CITIZENS TRUST BANK,**
as a Lender

By: /s/ James Dow
Name: James Dow
Title: First Vice President

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

Grant Date:

Grantee:

Units Granted:

THIS RESTRICTED STOCK UNIT AGREEMENT (the "Agreement"), made as of the Grant Date (as defined herein) 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" 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, 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.

(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.

(d) "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.

(e) "Credited Service" means the performance of Service on a substantially full time basis for a continuous twelve-month period. For this purpose, substantially full time basis shall mean that the Grantee 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.

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

(g) "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.

(h) "Grant Date" is the date the Committee authorized this RSU grant as set forth above.

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

(j) "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.

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

(l) "Retirement" means termination of Grantee'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 and provided further that the Grantee does not subsequently obtain employment with another employer. For clarity, only twelve (12) months of continuous Service shall count as a full year of Service for purposes of determining if Grantee is eligible for Retirement.

(m) "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 number of Restricted Stock Units ("RSUs") as set forth above.

**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 two tranches on each of the first and second anniversaries of the Grant Date and the Grantee's provision of two periods of Credited Service. The first tranche, equal to 50% 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 50% 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.

**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, 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. <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 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. <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 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 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.

(c) 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 second 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.

(d) If the Grantee's Service is terminated by the Company without Cause or by the Grantee for Good Reason, in each case after the Grant Date (other than due to a Change in Control Termination), then a pro-rata portion of the RSUs based on a fraction equal to the number of full calendar months that have elapsed from the Grant Date through and inclusive of the termination date divided by 24, less any RSUs that have previously vested and settled prior to the termination date, shall continue to vest 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.

(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. Company; Grantee**.

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

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

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

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

(a) Non-Compete. The Grantee agrees that during the term of the Grantee's employment and for a period of two years thereafter (the "Coverage Period") the Grantee will not engage in, consult with, participate in, hold a position as shareholder, director, officer, consultant, employee, partner or investor, or otherwise assist any business entity (i) in any State of the United States of America or (ii) in any other country in which the Company (which, for the avoidance of doubt, includes for all purposes of this Section 9 any and all of its divisions, Affiliates or Subsidiaries) has business activities, in either case, that is engaged in (A) any activities that are competitive with the business of providing (I) healthcare or other personnel on a temporary or permanent placement basis to hospitals, healthcare facilities, healthcare provider practice groups or other entities, (II) managed services programs, workforce management systems, workforce consulting services, predictive modeling, staff scheduling, credentialing services, revenue cycle solutions, or language services or (III) healthcare workforce technology platforms, including language services, software-as-a-service vendor management solutions, workforce optimization services, recruitment process outsourcing services, telehealth services, credentialing services, and flex pool management and other outsourced solutions services , or (B) any other business in which the Company is then engaged, in each case, including any and all business activities reasonably related thereto.

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

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

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

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

(f) Other. Nothing contained in this Agreement shall prevent Employee from exercising Employee's rights under applicable law to discuss wages, hours, working conditions, unionization, or the like, including any concerted activities for the purpose of collective bargaining or other mutual aid or protection. Additionally, nothing contained in this

Agreement prohibits or prevents Employee from filing a charge with or participating, testifying, or assisting in any investigation, hearing, whistleblowing proceeding or other proceeding before any federal, state, or local government agency (e.g., EEOC, NLRB, SEC, etc.).

**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 by hand, by mail or electronic transmission (with confirmation of transmission) 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 or e-mailed to the Grantee at the Grantee's address or e-mail 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:** ________________________________
Cary Grace
President & Chief Executive Officer

**By:**__________________________________

Name:

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

Grant Date:

Grantee:

Units Granted:

THIS PERFORMANCE STOCK UNIT AGREEMENT (the "Agreement"), made as of the Grant Date (as defined herein) 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 the Company, the sum of (i) one share of common stock of the Company, 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 October 15, 2024 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 six (6) month period ending on the last day of the Performance Period or, in the case of a Change in Control prior to December 31, 2027, the effective date of the Change of Control.

(g) "Closing Average Share Value" means, for 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 or, in the case of a Change in Control prior to December 31, 2027, the last trading price on the effective date of the Change of Control.

(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" is the date the Committee authorized this PSU grant as set forth above.

(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 ten (10) -day period leading up to the Grant Date..

(m) "Opening Average Share Value" means, for each of 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) "Performance Period" means the Grant Date through the earlier of December 31, 2027 or the effective date of a Change of Control.

(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) "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).

(r) "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).

(s) "Vesting Date" means December 31, 2027.

**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 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 within 60 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 thus the actual number of PRSUs subject to vesting).

**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 shall be forfeited.

(b) If the Grantee's Service terminates due to a Change in Control Termination after the Grant Date but before the Vesting Date, then on the date of the Grantee's termination (or, if later, on the effective date of the Change in Control), notwithstanding anything herein, 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. 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.

(c) 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).

(d) If the Grantee's Service is terminated by the Company without Cause or by the Grantee for Good Reason, in each case after the Grant Date but before the end of the Performance Period (other than due to a Change in Control Termination), then a pro-rata portion of the PRSUs based on a fraction equal to the number of full calendar months that have elapsed from the first day of the Performance Period through and inclusive of the termination date divided by 36 shall remain eligible to vest 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.

(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. <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 PRSUs 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 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. <u>Forfeiture for Violation of Restrictive Covenants</u>.**

(a) <u>Non-Compete</u>. The Grantee agrees that during the term of the Grantee's employment and for a period of two years thereafter (the "<u>Coverage Period</u>") 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) managed services programs, workforce management systems, workforce consulting services, predictive modeling, staff scheduling, credentialing services, revenue cycle solutions, or language services or (III) healthcare workforce technology platforms, including language services, software-as-a-service vendor management solutions, workforce optimization services, recruitment process outsourcing services, telehealth services, credentialing services, and flex pool management and other outsourced solutions services or (B) any other business in which the Company is then engaged, in each case, including any and all business activities reasonably related thereto.

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

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

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

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

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

**11. 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 by hand, by mail or electronic transmission (with confirmation of transmission) 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 or e-mailed to the Grantee at the Grantee's address or e-mail 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. <u>PRSUs Subject to Plan and NQDC Plan</u>**. 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. <u>Governing Law</u>**. 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:** ________________________________

Cary Grace
President & Chief Executive Officer

**GRANTEE**

**By:**________________________________

Name:

# <u>SCHEDULE I</u>

## TSR VESTING TABLE

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**Exhibit 31.1**

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

I, Caroline S. Grace, 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/ CAROLINE S. GRACE

**Caroline S. Grace**
**Director, President and Chief Executive Officer**
**(Principal Executive Officer)**

Date: November 7, 2024

**Exhibit 31.2**

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

I, Jeffrey R. Knudson, 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/ JEFFREY R. KNUDSON

**Jeffrey R. Knudson**
**Chief Financial Officer**
**(Principal Financial and Accounting Officer)**

Date: November 7, 2024

**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 September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Caroline S. Grace, 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/ Caroline S. Grace

**Caroline S. Grace**
**Director, President and Chief Executive Officer**
**(Principal Executive Officer)**

Date: November 7, 2024

**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 September 30, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Jeffrey R. Knudson, Chief Financial 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/ JEFFREY R. KNUDSON

**Jeffrey R. Knudson**
**Chief Financial Officer**
**(Principal Financial and Accounting Officer)**

Date: November 7, 2024