UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) March 5, 2014

Cross Country Healthcare, Inc.

(Exact name of registrant as specified in its charter)

Delaware	**0-33169**	**13-4066229**
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

6551 Park of Commerce Blvd., N.W., Boca Raton, FL 33487
(Address of Principal Executive Office) (Zip Code)

(561) 998-2232
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions :

o Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Section 2 – Financial Information

Item 2.02 Results of Operations and Financial Condition

(a) On March 5, 2014, Cross Country Healthcare, Inc. (“the Company”) issued a press release announcing results for the fourth quarter and full year ended December 31, 2013, a copy of which is attached as Exhibit 99.1 to this Current Report on Form 8-K. This information is being furnished under Item 2.02 and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of such section.

Section 5 - Corporate Governance and Management

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On March 3, 2014, the Company entered into a transition agreement with Mr. Hensel which superseded Mr. Hensel’s existing employment agreement with the Company. Pursuant to the transition agreement, Mr. Hensel will resign as a Director of the Company, effective March 7, 2014, and as Chief Financial Officer of the Company on March 31, 2014. Mr. Hensel will continue to be employed by the Company from March 31, 2014 through June 3, 2014 as Special Advisor. In such capacity he will be employed on a full-time basis during the month of April to transition his prior duties and responsibilities to our new Chief Financial Officer. From May 1, 2014 through June 3, 2014 he will provide transition services to the Company on an as needed basis. During the period from March 31, 2014 through June 3, 2014 Mr. Hensel will continue to receive his base salary at the annual rate of $357,706. Thereafter, he will receive a lump sum payment equal to one year of base salary, less wages paid to him from May 1, 2014 through June 3, 2014. Any equity grants to Mr. Hensel scheduled to vest on or before June 2, 2014 shall vest, while all other non-vested equity grants shall terminate. Mr. Hensel will be subject to a one-year non-competition covenant expiring on June 2, 2015. This agreement is filed hereto as Exhibit 10.1 and is incorporated into this current report on Form 8-K by reference.

On March 3, 2014, the Company entered into an employment agreement with William Burns, pursuant to which, effective April 1, 2014, Mr. Burns will become its Chief Financial Officer. Mr. Burns, age 44, served as Group Vice President and Corporate Controller for Gartner, Inc., a technology research and advisory firm, since 2008. From 2006 until 2008, Mr. Burns was the Chief Accounting Officer for CA Technologies, Inc. Mr. Burns earned his Bachelor of Arts in Accounting and Information Systems from Queens College in 1992 and a Masters of Business Administration from New York University’s Stern School of Business in 2000. Mr. Burns is a Certified Public Accountant.

Mr. Burns’ base salary will be $400,000 per year. The base salary is subject to annual review by the Committee and Mr. Burns is eligible to receive an annual bonus of up to 70% of his base salary based on the level of achievement of performance goals to be established by the Committee. Mr. Burns is eligible to participate in all benefit plans and fringe benefit arrangements available to our senior executives. If Mr. Burns’ employment is terminated by us without cause or Mr. Burns terminates his employment for good reason, and if he is not otherwise entitled to receive severance benefits under our Executive Severance Policy, subject to his timely execution of a release, he will be entitled to a severance payment equal to one year’s base salary.

Under his employment agreement, the Company agreed to pay or reimburse Mr. Burns for certain relocation expenses in an amount up to $100,000. In addition, on April 1, 2014 Mr. Burns will receive a grant of 20,000 shares of restricted stock.

Section 7 – Regulation FD

Item 7.01 Regulation FD Disclosure

Incorporated by reference is a press release issued by the Company on March 5, 2014, which is attached hereto as Exhibit 99.1. This information is being furnished under Item 7.01 and shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of such section.

Section 9 – Financial Statements and Exhibits

Item 9.01 Financial Statements and Exhibits

(d) Exhibits

Exhibit	Description
99.1	Press Release issued by the Company on March 5, 2014

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, hereunto duly authorized.

CROSS COUNTRY HEALTHCARE, INC.

		By:	/s/ Emil Hensel
			Emil Hensel
Dated:	March 6, 2014		Chief Financial Officer

Exhibit 99.1

CROSS COUNTRY HEALTHCARE ANNOUNCES FOURTH QUARTER & FULL YEAR 2013 FINANCIAL RESULTS

William Burns Named CFO, To Succeed Emil Hensel

BOCA RATON, Fla., March 5, 2014--Cross Country Healthcare, Inc. (NASDAQ: CCRN) today announced financial results for the fourth quarter and full year ended December 31, 2013. The company also announced the appointment of William Burns as Chief Financial Officer, effective April 1, 2014, succeeding Emil Hensel who is retiring. Mr. Burns, a Certified Public Accountant, has served as Group Vice President and Corporate Controller for Gartner, Inc. since 2008, and prior to that served as Chief Accounting Officer for CA Technologies, Inc. Mr. Hensel will remain with the company as Special Advisor until June 3, 2014 to assist in a smooth transition of responsibilities to Mr. Burns.

FOURTH QUARTER FINANCIAL HIGHLIGHTS

- Consolidated revenue was $109.2 million, a decrease of 2% from $111.7 million last year.
- Adjusted EBITDA from continuing operations (see table titled "Reconciliation of Non-GAAP Financial Measures") increased to $1.8 million, or 1.6% of revenue, from $1.3 million, or 1.2% of revenue, in the prior year quarter.
- Loss from continuing operations before income taxes was $7.3 million, compared with a loss from continuing operations before income taxes of $1.3 million, in the prior year quarter.
- We incurred acquisition costs of $0.5 million, as well as a non-cash impairment charge of $6.4 million related to certain trade names and a non-cash valuation allowance on our deferred tax assets of $31.2 million.
- Loss from continuing operations was $35.5 million, or $1.14 per diluted share, compared with a loss from continuing operations of $3.0 million, or $0.10 per diluted share, in the prior year quarter. Excluding the acquisition costs, as well as the non-cash valuation allowance and impairment charges, loss from continuing operations would have been $0.2 million or close to break-even per diluted share.
- Net loss was $35.2 million or $1.13 per diluted share, compared with a net loss of $9.5 million or $0.31 per diluted share in the prior year quarter. Excluding the acquisition costs, as well as the non-cash valuation allowance and impairment charges, net income would have been $0.2 million or close to break-even per diluted share.
- Net cash used in operations was $2.9 million.
- On December 2, 2013, the Company acquired the operating assets of On Assignment, Inc.'s allied healthcare staffing division for an aggregate purchase price of $28.7 million, subject to post-closing adjustments. Revenue of $3.4 million and contribution income of $0.3 million from the acquisition has been included in our nurse and allied business segment results for 2013.

FULL YEAR FINANCIAL HIGHLIGHTS

- Consolidated revenue was $438.3 million, a decrease of 1% from $442.6 million last year.
- Adjusted EBITDA from continuing operations (see table titled "Reconciliation of Non-GAAP Financial Measures") increased to $8.4 million, or 1.9% of revenue, from $4.0 million, or 0.9% of revenue, in the prior year.

- Loss from continuing operations before income taxes was $10.0 million, compared with a loss from continuing operations before income taxes of $26.9 million, in the prior year.
- Loss from continuing operations was $36.9 million, or $1.19 per diluted share, compared with a loss from continuing operations of $20.7 million, or $0.67 per diluted share, in the prior year.
- Cash flow from operations was $8.7 million. At the end of the year, the Company had $8.1 million in cash and cash equivalents, $8.6 million of total debt and $19.7 million of availability under its credit facility.

Cross Country Healthcare President and CEO William J. Grubbs commented, "2013 was a year of change and transformation for Cross Country Healthcare and I am encouraged by the progress we have made in our strategic initiatives that position us for growth. We exited 2013 with positive momentum in our two largest segments: Nurse and Allied Staffing and Physician Staffing. I am excited about our prospects in 2014 and going forward."

Grubbs added, "We would like to thank Emil for his 23 years of service with the company, and we wish him well in his future endeavors. We are also pleased to welcome Bill Burns to our company. I look forward to working with him and am confident in his ability to help move the company forward."

FOURTH QUARTER OPERATING PERFORMANCE

Fourth quarter consolidated revenue was $109.2 million, a decrease of 2% from the same quarter last year, and an increase of 1% sequentially. The Company's consolidated gross margin was 26.2%, up 120 basis points from the same quarter last year and 10 basis points sequentially. The margin improvement was due to lower housing and field insurance costs in our staffing businesses, partly offset by higher provider fees in our physician staffing business. Net cash used in operations was $2.9 million during the fourth quarter of 2013, compared with net cash provided by operations of $4.4 million in the fourth quarter of 2012.

Revenue from the nurse and allied staffing business segment increased 1% from the same quarter last year, and 6% sequentially. Contribution income in this segment was $5.0 million, up from $3.6 million in the same quarter last year. The increase in segment contribution income was primarily due to lower housing and insurance costs for our field staff compared to the prior year quarter.

Revenue from the physician staffing business decreased 6% from the same quarter last year, and 8% sequentially due to lower volume in part due to seasonality, partially offset by pricing improvement. Contribution income was $1.8 million, down from $2.5 million in the same quarter last year.

Revenue from the other human capital management services business segment was $9.1 million, down 11% from the same quarter last year and essentially flat sequentially. Contribution loss was $0.1 million, down from a contribution income of $0.5 million in the same quarter last year.

Selling, general and administrative expenses in the fourth quarter were $26.9 million, down 0.4% from $27.1 million from the same quarter last year and up 6% sequentially.

Consolidated net loss in the fourth quarter was $35.2 million or $1.13 per diluted share. Loss from continuing operations in the fourth quarter was $35.5 million or $1.14 per diluted share due to a non-cash valuation allowance on our deferred tax assets, impairment charges and acquisition costs. Loss from continuing operations in the fourth quarter of 2012 was $3.0 million or $0.10 per diluted share.

At December 31, 2013, the Company had $8.1 million in cash and cash equivalents and $8.6 million of total debt primarily related to its revolving credit facility.

OUTLOOK

The following statements are based on current management expectations. Such statements are forward-looking and actual results may differ materially. These statements include an estimated negative impact from inclement weather so far this quarter of approximately $1.5-$2.0 million of revenue and $0.4-$0.5 million of Adjusted EBITDA. These statements do not include the potential impact of any future mergers, acquisitions or other business combinations, any impairment charges or valuation allowances, or any material legal or restructuring charges. For the first quarter of 2014, the Company expects:

- Revenue to be in the $119 million to $121 million range.
- Gross profit margin to be approximately 26.0% to 26.5 %.
- Adjusted EBITDA margin from continuing operations to be in the 1% to 2% range. Adjusted EBITDA, a non-GAAP financial measure, is defined in the accompanying financial statement tables.

INVITATION TO CONFERENCE CALL

The Company will hold its quarterly conference call on Thursday, March 6, 2014, at 10:00 a.m. to discuss its fourth quarter and full year 2013 financial results. This call will be webcast live and can be accessed at the Company's website at www.crosscountryhealthcare.com or by dialing 800-857-6331 from anywhere in the U.S. or by dialing 517-623-4781 from non-U.S. locations - Passcode: Cross Country. From March 6th through March 20th, a replay of the webcast will be available at the Company's website and a replay of the conference call will be available by telephone by calling 800-365-2419 from anywhere in the U.S. or 203-369-3679 from non-U.S. locations - Passcode: 2014.

NON-GAAP FINANCIAL MEASURES

This press release and accompanying financial statement tables reference non-GAAP financial measures. Such non-GAAP financial measures are provided as additional information and should not be considered substitutes for, or superior to, financial measures calculated in accordance with U.S. GAAP. Such non-GAAP financial measures are provided for consistency and comparability to prior year results; furthermore, management believes they are useful to investors when evaluating the Company's performance as it excludes certain items that management believes are not indicative of the Company's operating performance. Such non-GAAP financial measures may differ materially from the non-GAAP financial measures used by other companies. The financial statement tables that accompany this press release include a reconciliation of each non-GAAP financial measure to the most directly comparable U.S. GAAP financial measure and a more detailed discussion of each financial measure; as such, the financial statement tables should be read in conjunction with the presentation of these non-GAAP financial measures.

ABOUT CROSS COUNTRY HEALTHCARE

Cross Country Healthcare, Inc. is a leader in healthcare staffing with a primary focus on providing nurse, allied and physician (locum tenens) staffing services and workforce solutions to the healthcare market. The Company believes it is one of the top two providers of nurse and allied staffing services, one of the top four providers of temporary physician staffing services, and one of the top four providers of retained physician and healthcare executive search services. The Company also is a leading provider of education and training programs specifically for the healthcare marketplace. On a company-wide basis, Cross Country Healthcare has approximately 3,000 active contracts with hospitals and healthcare facilities, and other healthcare organizations to provide our staffing services and workforce solutions. Copies of this and other news releases as well as additional information about Cross Country Healthcare can be obtained online at www.crosscountryhealthcare.com. Shareholders and prospective investors can also register to automatically receive the Company's press releases, SEC filings and other notices by e-mail.

In addition to historical information, this press release contains statements relating to our future results (including certain projections and business trends) that are "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 (the "Exchange Act"), and are subject to the "safe harbor" created by those sections. Forward-looking statements consist of statements that are predictive in nature, depend upon or refer to future events. Words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", "suggests", "appears", "seeks", "will" and variations of such words and similar expressions intended to identify forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results and performance to be materially different from any future results or performance expressed or implied by these forward-looking statements. These factors include, without limitation, the following: our ability to attract and retain qualified nurses, physicians and other healthcare personnel, costs and availability of short-term housing for our travel nurses and physicians, demand for the healthcare services we provide, both nationally and in the regions in which we operate, the functioning of our information systems, the effect of existing or future government regulation and federal and state legislative and enforcement initiatives on our business, our clients' ability to pay us for our services, our ability to successfully implement our acquisition and development strategies, the effect of liabilities and other claims asserted against us, the effect of competition in the markets we serve, our ability to successfully defend the Company, its subsidiaries, and its officers and directors on the merits of any lawsuit or determine its potential liability, if any, and other factors set forth in Item 1A. "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2012, and our other Securities and Exchange Commission filings made prior to the date hereof.

Although we believe that these statements are based upon reasonable assumptions, we cannot guarantee future results and readers are cautioned not to place undue reliance on these forward-looking statements, which reflect management's opinions only as of the date of this press release. There can be no assurance that (i) we have correctly measured or identified all of the factors affecting our business or the extent of these factors' likely impact, (ii) the available information with respect to these factors on which such analysis is based is complete or accurate, (iii) such analysis is correct or (iv) our strategy, which is based in part on this analysis, will be successful. The Company undertakes no obligation to update or revise forward-looking statements. All references to "we," "us," "our," or "Cross Country" in this press release mean Cross Country Healthcare, Inc., its subsidiaries and affiliates.

Cross Country Healthcare, Inc.
Consolidated Statements of Operations
(Unaudited, amounts in thousands, except per share data)

	Three Months Ended			Year Ended	
	December 31, 2013 (a)	December 31, 2012	September 30, 2013	December 31, 2013 (a)	December 31, 2012
Revenue from services	$ 109,179	$ 111,731	$ 108,048	$ 438,311	$ 442,635
Operating expenses:					
Direct operating expenses	80,617	83,787	79,864	324,851	331,050
Selling, general and administrative expenses	26,945	27,055	25,504	106,117	109,417
Bad debt expense	309	195	215	1,078	786
Depreciation	934	1,107	890	3,886	4,905
Amortization	610	566	552	2,294	2,263
Acquisition costs (a)	473	—	—	473	—
Restructuring costs (b)	—	—	109	484	—
Legal settlement charge (c)	—	—	—	750	—
Impairment charges (d)	6,400	—	—	6,400	18,732
Total operating expenses	116,288	112,710	107,134	446,333	467,153
(Loss) income from operations	(7,109)	(979)	914	(8,022)	(24,518)
Other expenses (income):					
Foreign exchange loss (gain)	22	(65)	(53)	(132)	(62)
Interest expense	215	433	190	849	2,341
Loss on early extinguishment and modification of debt (e)	—	—	—	1,419	82
Other (income) expense, net	(36)	(23)	(32)	(119)	16
(Loss) income from continuing operations before income taxes	(7,310)	(1,324)	809	(10,039)	(26,895)
Income tax expense (benefit)	28,228	1,661	(644)	26,827	(6,150)
(Loss) income from continuing operations	(35,538)	(2,985)	1,453	(36,866)	(20,745)
Income (loss) from discontinued operations, net of income taxes (f)	338	(6,548)	(539)	2,281	(21,476)
Net (loss) income	$ (35,200)	$ (9,533)	$ 914	$ (34,585)	$ (42,221)
Net (loss) income per common share, basic:					
Continuing operations	$ (1.14)	$ (0.10)	$ 0.05	$ (1.19)	$ (0.67)
Discontinued operations	0.01	(0.21)	(0.02)	0.07	(0.70)
Net (loss) income	$ (1.13)	$ (0.31)	$ 0.03	$ (1.12)	$ (1.37)
Net (loss) income per common share, diluted:					
Continuing operations	$ (1.14)	$ (0.10)	$ 0.05	$ (1.19)	$ (0.67)
Discontinued operations	0.01	(0.21)	(0.02)	0.07	(0.70)
Net (loss) income	$ (1.13)	$ (0.31)	$ 0.03	$ (1.12)	$ (1.37)
Weighted average common shares outstanding:					
Basic	31,085	30,902	31,085	31,009	30,843
Diluted	31,085	30,902	31,161	31,009	30,843

Cross Country Healthcare, Inc.
Reconciliation of Non-GAAP Financial Measures
(Unaudited, amounts in thousands)

	Three Months Ended			Year Ended	
	December 31, 2013 (a)	December 31, 2012	September 30, 2013	December 31, 2013 (a)	December 31, 2012
Adjusted EBITDA:					
(Loss) income from operations	$ (7,109)	$ (979)	$ 914	$ (8,022)	$ (24,518)
Depreciation	934	1,107	890	3,886	4,905
Amortization	610	566	552	2,294	2,263
Acquisition costs (a)	473	—	—	473	—
Restructuring costs (b)	—	—	109	484	—
Legal settlement charge (c)	—	—	—	750	—
Impairment charges (d)	6,400	—	—	6,400	18,732
Equity compensation	465	615	451	2,100	2,595
Adjusted EBITDA (g)	$ 1,773	$ 1,309	$ 2,916	$ 8,365	$ 3,977
Adjusted (Loss) Income from Continuing Operations and Adjusted Net Income (Loss):					
(Loss) income from continuing operations	$ (35,538)	$ (2,985)	$ 1,453	$ (36,866)	$ (20,745)
Acquisition costs, net of tax	286	—	—	286	—
Restructuring costs, net of tax	—	—	68	310	—
Legal settlement charge, net of tax	—	—	—	484	—
Loss on early extinguishment and modification of debt, net of tax	—	—	—	890	51
Impairment charges, net of tax	3,898	—	—	3,898	12,022
Valuation allowance	31,172	—	—	31,172	—
Adjusted (loss) income from continuing operations (h)	(182)	(2,985)	1,521	174	(8,672)
Income (loss) from discontinued operations, net of income taxes (f)	338	(6,548)	(539)	2,281	(21,476)
Adjusted net income (loss) (i)	$ 156	$ (9,533)	$ 982	$ 2,455	$ (30,148)
Adjusted (Loss) Income from Continuing Operations per Diluted Share and Adjusted Net Income (loss) per Diluted Share:					
(Loss) income from continuing operations per diluted share	$ (1.14)	$ (0.10)	$ 0.05	$ (1.19)	$ (0.67)
Acquisition costs, net of tax	0.01	—	—	0.01	—
Restructuring costs, net of tax	—	—	0.00	0.01	—
Legal settlement charge, net of tax	—	—	—	0.01	—
Loss on early extinguishment and modification of debt, net of tax	—	—	—	0.03	0.00
Impairment charges, net of tax	0.12	—	—	0.13	0.39
Valuation allowance	1.00	—	—	1.01	—
Adjusted (loss) income from continuing operations per diluted share (h)	(0.01)	(0.10)	0.05	0.01	(0.28)
Income (loss) from discontinued operations per diluted share	0.01	(0.21)	(0.02)	0.07	(0.70)
Adjusted net income (loss) per diluted share (i)	0.00	$ (0.31)	$ 0.03	$ 0.08	$ (0.98)
Weighted average common shares outstanding	31,085	30,902	31,161	31,009	30,843

Cross Country Healthcare, Inc.

Consolidated Balance Sheets (j)

(Unaudited, amounts in thousands)

	December 31, 2013 (a)	December 31, 2012
Assets		
Current assets:		
Cash and cash equivalents	$ 8,055	$ 10,463
Accounts receivable, net	60,750	62,674
Deferred tax assets	—	5,983
Income taxes receivable	538	586
Prepaid expenses	6,163	5,580
Insurance recovery receivable	3,886	5,484
Indemnity escrow receivable	3,750	—
Assets held for sale	—	46,971
Other current assets	793	1,049
Total current assets	83,935	138,790
Property and equipment, net	6,170	8,235
Trade names, net	42,301	48,701
Goodwill, net	77,466	62,712
Other identifiable intangible assets, net	25,998	14,492
Debt issuance costs, net	464	1,610
Non-current deferred tax assets	339	22,760
Non-current insurance recovery receivable	10,914	8,210
Non-current security deposits	997	413
Total assets	$ 248,584	$ 305,923
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	$ 10,272	$ 10,130
Accrued employee compensation and benefits	19,148	21,650
Current portion of long-term debt	8,483	33,683
Sales tax payable	2,404	1,545
Liabilities related to assets held for sale	—	2,835
Deferred tax liabilities	339	—
Other current liabilities	4,063	2,744
Total current liabilities	44,709	72,587
Long-term debt	93	176
Non-current deferred tax liabilities	—	—
Long-term accrued claims	18,303	16,347
Long-term unrecognized tax benefits	4,013	4,656
Other long-term liabilities	3,415	3,035
Total liabilities	70,533	96,801
Commitments and contingencies		
Stockholders' equity:		
Common stock	3	3
Additional paid-in capital	246,325	244,924
Accumulated other comprehensive loss	(970)	(3,083)
Accumulated deficit	(67,307)	(32,722)
Total stockholders' equity	178,051	209,122
Total liabilities and stockholders' equity	$ 248,584	$ 305,923

Cross Country Healthcare, Inc.
Segment Data (k)
(Unaudited, amounts in thousands)

	Three Months Ended						YOY	Sequential
	December 31, 2013 (a)	% of Total	December 31, 2012	% of Total	September 30, 2013	% of Total	% change Fav (Unfav)	% change Fav (Unfav)
Revenue from services:								
Nurse and allied staffing	$ 71,237	65%	$ 70,850	63%	$ 67,448	63%	0.5 %	5.6 %
Physician staffing	28,865	27%	30,667	28%	31,485	29%	(5.9)%	(8.3)%
Other human capital management services	9,077	8%	10,214	9%	9,115	8%	(11.1)%	(0.4)%
	$ 109,179	100%	$ 111,731	100%	$ 108,048	100%	(2.3)%	1.0 %
Contribution income (l)								
Nurse and allied staffing (m)	$ 4,996		$ 3,590		$ 5,156		39.2 %	(3.1)%
Physician staffing	1,797		2,460		2,191		(27.0)%	(18.0)%
Other human capital management services	(133)		534		55		(124.9)%	(341.8)%
	6,660		6,584		7,402		1.2 %	(10.0)%
Unallocated corporate overhead (m)	5,352		5,890		4,937		9.1 %	(8.4)%
Depreciation	934		1,107		890		15.6 %	(4.9)%
Amortization	610		566		552		(7.8)%	(10.5)%
Acquisition costs (a)	473		—		—		(100.0)%	(100.0)%
Restructuring costs (b)	—		—		109		— %	100.0 %
Impairment charges (d)	6,400		—		—		(100.0)%	(100.0)%
(Loss) income from operations	$ (7,109)		$ (979)		$ 914		(626.1)%	877.8 %

	Year Ended				YOY
	December 31, 2013 (a)	% of Total	December 31, 2012	% of Total	% change Fav (Unfav)
Revenue from services:					
Nurse and allied staffing	$ 278,973	63%	$ 277,754	63%	0.4 %
Physician staffing	121,371	28%	123,545	28%	(1.8)%
Other human capital management services	37,967	9%	41,336	9%	(8.2)%
	$ 438,311	100%	$ 442,635	100%	(1.0)%
Contribution income (l)					
Nurse and allied staffing (m)	$ 19,188		$ 11,360		68.9 %
Physician staffing	8,617		10,652		(19.1)%
Other human capital management services	746		1,944		(61.6)%
	28,551		23,956		19.2 %
Unallocated corporate overhead (m)	22,286		22,574		1.3 %
Depreciation	3,886		4,905		20.8 %
Amortization	2,294		2,263		(1.4)%
Acquisition costs (a)	473		—		(100.0)%
Restructuring costs (b)	484		—		(100.0)%
Legal settlement charge (c)	750		—		(100.0)%
Impairment charges (d)	6,400		18,732		65.8 %
(Loss) income from operations	$ (8,022)		$ (24,518)		67.3 %

Cross Country Healthcare, Inc.

Other Financial Data

(Unaudited)

	Three Months Ended			Year Ended	
	December 31, 2013 (a)	December 31, 2012	September 30, 2013	December 31, 2013 (a)	December 31, 2012
Net cash (used in) provided by operating activities (in thousands)	$ (2,900)	$ 4,440	$ 7,161	$ 8,659	$ 10,146
Nurse and allied staffing statistical data:					
FTEs (n)	2,531	2,452	2,282	2,420	2,446
Days worked (o)	232,852	225,584	209,944	883,300	895,236
Average nurse and allied staffing revenue per FTE per day (p)	$ 306	$ 314	$ 321	$ 316	$ 310
Physician staffing statistical data:					
Days filled (q)	18,705	20,290	20,788	80,294	85,001
Revenue per days filled (r)	$ 1,543	$ 1,511	$ 1,515	$ 1,512	$ 1,453

(a) On December 2nd, 2013, the Company acquired the operating assets of On Assignment, Inc.'s Allied Healthcare staffing division for an aggregate purchase price of $28.7 million, subject to post-closing adjustments. Results from operations for the month of December were included in the Company's Consolidated Statement of Operations.
(b) Restructuring costs primarily related to senior management employee severance pay.
(c) Legal settlement charge related to an agreement in principle to settle a class action lawsuit that has preliminary been approved by the court in 2014.
(d) Impairment charges in the three months and year ended December 31, 2013, relate to the impairment of trade names acquired in the Company's MDA acquisition, of which $6.2 million was for a trade name in the Company's physician staffing business segment and $0.2 million was for a trade name in the Company's nurse and allied staffing business segment. Impairment charges in the year ended December 31, 2012 relate to impairment of goodwill related to the Company's nurse and allied staffing business segment.
(e) Loss on early extinguishment and modification of debt relate to the write-off of unamortized net debt issuance costs related to the repayment of term loan and revolver in 2013 and modification fees related to our prior credit facility in the third quarter of 2012.
(f) The Company sold its clinical trial services business on February 15, 2013. The clinical trial services business has been classified as discontinued operations. The transaction resulted in a gain on sale of $4.0 million pretax, or $2.1 million after tax.
(g) Adjusted EBITDA, a non-GAAP (Generally Accepted Accounting Principles) financial measure, is defined as income or loss from operations before depreciation, amortization, acquisition costs, restructuring costs, legal settlement charges, impairment charges and non-cash equity compensation. Adjusted EBITDA should not be considered a measure of financial performance under GAAP. Management presents Adjusted EBITDA because it believes that Adjusted EBITDA is a useful supplement to income or loss from operations as an indicator of operating performance. Management uses Adjusted EBITDA as one performance measure in its annual cash incentive program for certain members of its management team. In addition, management monitors Adjusted EBITDA for planning purposes. Adjusted EBITDA, as defined, closely matches the operating measure typically used in the Company's credit facilities in calculating various ratios. Management believes Adjusted EBITDA, as defined, is useful to investors when evaluating the Company's performance as it excludes certain items that management believes are not indicative of the Company's operating performance. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by the Company's consolidated revenue.
(h) Adjusted (loss) income from continuing operations and Adjusted (loss) income from continuing operations per diluted share, both non-GAAP financial measures, are defined by (Loss) income from continuing operations and (loss) earnings per diluted share before acquisition costs, restructuring costs, legal settlement charges, loss on early extinguishment and modification of debt, impairment charges and deferred tax assets valuation allowance. Adjusted (loss) income from continuing operations and Adjusted (loss) income from continuing operations per diluted share should not be considered a measure of financial performance under GAAP and have been provided for consistency and comparability of the December 31, 2013 results with the prior periods. Management believes such measures provide a picture of the Company's results that is more comparable among periods since it excludes the impact of items that may recur occasionally, but tend to be irregular as to timing, thereby distorting comparisons between periods.
(i) Adjusted net income (loss) and Adjusted net income (loss) per diluted share, both non-GAAP financial measures, are defined by Net (loss) income and Net (loss) income per diluted share before acquisition costs, restructuring costs, legal settlement charges, loss on early extinguishment and modification of debt, impairment charges and deferred tax assets valuation allowance. Adjusted net income (loss) and Adjusted net income (loss) per diluted share should not be considered a measure of financial performance under GAAP and have been provided for consistency and comparability of the December 31, 2013 results with the prior periods. Management believes such measures provide a picture of the Company's results that is more comparable among periods since it excludes the impact of items that may recur occasionally, but tend to be irregular as to timing, thereby distorting comparisons between periods.
(j) Certain prior year amounts have been reclassified to conform to the current period's presentation.
(k) Segment data provided is in accordance with the Segment Reporting Topic of the FASB ASC.

(l) Contribution income is defined as income or loss from operations before depreciation, amortization, acquisition costs, restructuring costs, legal settlement charges, impairment charges and corporate expenses not specifically identified to a reporting segment. Contribution income is a financial measure used by management when assessing segment performance.
(m) Certain prior year amounts have been reclassified to conform to the current period's presentation. In 2013, the Company refined its methodology for allocating certain corporate overhead expenses and the nurse and allied staffing expenses to more accurately reflect this segment's profitability.
(n) FTEs represent the average number of nurse and allied contract staffing personnel on a full-time equivalent basis.
(o) Days worked is calculated by multiplying the FTEs by the number of days during the respective period.
(p) Average revenue per FTE per day is calculated by dividing the nurse and allied staffing revenue by the number of days worked in the respective periods. Nurse and allied staffing revenue also includes revenue from permanent placement of nurses.
(q) Days filled is calculated by dividing the total hours filled during the period by 8 hours.
(r) Revenue per day filled is calculated by dividing the applicable revenue generated by the Company's physician staffing segment by days filled for the period presented.

Cross Country Healthcare, Inc.
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Source: Cross Country Healthcare, Inc.