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

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**FORM 8-K**

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**CURRENT REPORT**

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

Date of Report (Date of earliest event reported) September 10, 2018



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**Cross Country Healthcare, Inc.**

(Exact name of registrant as specified in its charter)

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

**0-33169**  
(Commission  
File Number)

**13-4066229**  
(I.R.S. Employer  
Identification No.)

**5201 Congress Avenue, Suite 100B, 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:

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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2).

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.

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## **ITEM 2.02 Results of Operations and Financial Condition**

On September 10, 2018, Cross Country Healthcare, Inc. (“the Company”) issued a press release reaffirming its third quarter 2018 guidance ranges of \$195 million to \$205 million in Revenue; Gross Profit Margin of 25.5% - 26%; Adjusted EBITDA of \$8 million to \$9 million; and Adjusted EPS of \$0.02 - \$0.04. These estimates are based on current management expectations and, as such, are forward-looking and actual results may differ materially. The above ranges do not include the potential impact of any divestitures, mergers, acquisitions or other business combinations, any changes in debt structure, any share repurchases, or the replacement of its legacy travel nurse and allied staffing system, as may have occurred either during the quarter or which may occur in the future. Please refer to the Company’s Forms 8-K filed with the SEC on August 1, 2018 and August 2, 2018 for additional information.

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.

## **ITEM 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.**

On September 10, 2018, the Board of Directors of the Company issued a press release announcing that William J. Grubbs intends to retire as President, Chief Executive Officer and a member of the Board of Directors of the Company when his contract expires at the end of March 2019 or, if earlier, the date the Board of Directors appoints a new Chief Executive Officer. To ensure an orderly transition, Mr. Grubbs will remain in his current roles until the appointment of his successor and will assist the Board in its search for his successor.

Cross Country’s Board of Directors has retained Heidrick & Struggles, a nationally recognized executive search firm, to lead the search for a new Chief Executive Officer, which will consider both internal and external candidates. The process is expected to take about six months.

On September 10, 2018, the Company also entered into an amendment to Mr. Grubbs’s employment agreement pursuant to which Mr. Grubbs has agreed to: (1) cease serving as Chief Executive Officer of the Company and will retire on the first to occur of (i) March 31, 2019 or (ii) the date on which the Company’s Board of Directors elects or appoints a new Chief Executive Officer; and (2) upon his retirement, resign as Chief Executive Officer and as a Director of the Company.

The Company will continue to pay Mr. Grubbs’ base salary through March 31, 2019 and he will be entitled to receive the bonus earned by him under the Company’s annual bonus plan for 2018. His health insurance coverage will also continue through March 31, 2019. Mr. Grubbs will not be entitled to any bonus with respect to 2019. All restricted stock awards granted to Mr. Grubbs that would by their terms vest on or prior to March 31, 2019 (95,552 shares) shall vest. In addition, an additional 74,421 restricted stock awards will vest on the date of his retirement. He will not be entitled to any other benefits or compensation upon retirement. Except as expressly stated above, all other terms and conditions of the Employment Agreement between the Company and Mr. Grubbs dated March 9, 2016 shall remain in full force and effect.

## **ITEM 7.01 Regulation FD Disclosure**

Incorporated by reference is a press release issued by the Company on September 10, 2018 and attached hereto as Exhibit 99.1. The information is being furnished under Item 7.01 and Exhibit 99.1 and shall not be deemed “filed” for purposes of Section 18 of the Securities and Exchange Act of 1934, as amended or otherwise subject to the liability of such section.

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**ITEM 9.01 Financial Statements and Exhibits.**

(d) Exhibits

Exhibit	Description
<a href="#"><u>99.1</u></a>	<a href="#"><u>Press Release issued by the Company on September 10, 2018</u></a>
<a href="#"><u>10.1</u></a>	<a href="#"><u>Amendment to Employment Agreement dated September 10, 2018 by and between Cross Country Healthcare, Inc. and William J. Grubbs.</u></a>

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**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/ Christopher R. Pizzi  
Name: Christopher R. Pizzi  
Title: SVP & Chief Financial Officer

Dated: September 10, 2018

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September 10, 2018

Mr. William J. Grubbs  
c/o Cross Country Healthcare, Inc.  
5201 Congress Avenue  
Boca Raton, FL 33487

Dear Mr. Grubbs:

You have informed Cross Country Healthcare, Inc. (the "Company") of your intention to retire by March 31, 2019. In that connection, the Company and you hereby agree as follows:

1. You will cease to serve as Chief Executive Officer of the Company and will retire on the first to occur of (i) March 31, 2019 or (ii) the date on which the Company's Board of Directors elects or appoints a new Chief Executive Officer. Upon your retirement, you will resign as Chief Executive Officer and as a Director of the Company.
2. The Company will continue to pay your base salary through March 31, 2019 and you will be entitled to receive the bonus earned by you under the Company's annual bonus plan for 2018. In addition, the Company will continue your health insurance coverage through March 31, 2019. You will not be entitled to any bonus with respect to 2019.
3. All stock awards that would by their terms vest on or prior to March 31, 2019 (95,552 shares) shall vest on the date of your retirement. In addition, an additional 74,421 restricted stock awards will vest on the date of your retirement.
4. Other than as set forth above, you will not be entitled to any additional benefits or compensation upon retirement.
5. Except as expressly set forth above, all other terms and conditions of the Employment Agreement between the Company and you dated March 9, 2016 shall remain in full force and effect.

Very truly yours,

CROSS COUNTRY  
HEALTHCARE, INC.

By: /s/ Thomas C. Dircks  
Thomas C. Dircks, Chairman

AGREED:

/s/ William J. Grubbs  
William J. Grubbs

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## Cross Country Healthcare Announces Upcoming Retirement of CEO

BOCA RATON, Fla., Sept. 10, 2018 /PRNewswire/ -- Cross Country Healthcare, Inc. (the "Company" or "Cross Country") (Nasdaq: CCRN) today announced that William J. Grubbs intends to retire as President, Chief Executive Officer and a member of the Board of Directors of the Company when his contract expires at the end of March 2019 or, if earlier, the date the Board of Directors appoints a new Chief Executive Officer. To ensure an orderly transition, Mr. Grubbs will remain in his current roles until such time and will assist the Board in its search for his successor.

Cross Country's Board of Directors has retained Heidrick & Struggles, a nationally recognized executive search firm, to lead the search and will consider both internal and external candidates. The process is expected to take about six months.

"After almost six years as President and Chief Executive Officer of Cross Country Healthcare, I am confident that now is the right time to transition to new leadership to drive the Company into its next phase of growth and improved profitability," said Mr. Grubbs. "Since 2012, Cross Country has significantly improved its competitive position as a national healthcare staffing provider and has transformed itself into a leader in workforce solutions, almost doubling revenues from \$443 million to \$865 million in 2017 and growing Adjusted EBITDA from \$4 million to \$43 million in 2017. This growth is a testament to our strong management team and talented employees that have positioned the Company for continued success moving forward and I want to thank them for the great work they have done."

"Bill has led Cross Country through a period of tremendous growth and financial improvement, and Cross Country is much stronger today than when he joined us almost six years ago," said Thomas C. Dircks, Chairman of the Board. "We are grateful that Bill plans to assist the Cross Country Board of Directors with the leadership transition and we would like to take this opportunity to thank Bill for his many significant contributions to the Company during his tenure," said Mr. Dircks.

Cross Country also today reaffirmed its third quarter 2018 guidance ranges of \$195 million to \$205 million of Revenue; Gross Profit Margin of 25.5% to 26.0%; Adjusted EBITDA of \$8 million to \$9 million; and Adjusted EPS of \$0.02 - \$0.04. These estimates are based on current management expectations and, as such, are forward-looking and actual results may differ materially. The above ranges do not include the potential impact of any divestitures, mergers, acquisitions or other business combinations, any changes in debt structure, any share repurchases, or the replacement of its legacy travel nurse and allied staffing system, as may have occurred either during the quarter or which may occur in the future. Please refer to the Company's forms 8-K filed with the SEC on August 1, 2018 and August 2, 2018 for additional information.

### **ABOUT CROSS COUNTRY HEALTHCARE**

Cross Country Healthcare is a national leader in providing innovative healthcare workforce solutions and staffing services. Our solutions leverage our nearly 40 years of expertise and insight to assist clients in solving complex labor-related challenges while maintaining high quality outcomes. We are dedicated to recruiting and placing highly qualified healthcare professionals in virtually every specialty and area of expertise. Our diverse client base includes both clinical and nonclinical settings, servicing acute care hospitals, physician practice groups, outpatient and ambulatory-care centers, nursing facilities, both public schools and charter schools, rehabilitation and sports medicine clinics, government facilities, and homecare. Through our national staffing teams and network of 72 office locations, we are able to place clinicians on travel and per diem assignments, local short-term contracts and permanent positions. We are a market leader in providing flexible workforce management solutions, which include managed service programs (MSP), internal resource pool consulting and development, electronic medical record (EMR) transition staffing, recruitment process outsourcing, predictive modeling, and other outsourcing and consultative services. In addition, we provide both retained and contingent placement services for healthcare executives, physicians, and other healthcare professionals.

Copies of this and other news releases as well as additional information about Cross Country Healthcare can be obtained online at [www.crosscountryhealthcare.com](http://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.

### **FORWARD LOOKING STATEMENTS**

*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 are 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, but are not limited to, 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 healthcare professionals, 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 cyber security risks and cyber incidents on our business, 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, including our ability to successfully integrate acquired businesses and realize synergies from such acquisitions, 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, 2017, 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. and its subsidiaries.*

CONTACT: Cross Country Healthcare, Inc., Christopher R. Pizzi, SVP and Chief Financial Officer, (561) 237-6202, [cpizzi@crosscountry.com](mailto:cpizzi@crosscountry.com)