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

FORM 10-Q

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

For the quarterly period ended March 31, 2023

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 Number: 001-12111

Pediatrix Medical Group, Inc.
(Exact name of registrant as specified in its charter)

Florida	**26-3667538**
(State or other jurisdiction of Incorporation or organization)	**(I.R.S. Employer Identification No.)**
1301 Concord Terrace Sunrise, Florida	**33323**
(Address of principal executive offices)	**(Zip Code)**

(954) 384-0175
(Registrant's telephone number, including area code)

Not Applicable
(Former name, former address and former fiscal year, if changed since last report)

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, par value $.01 per share	MD	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 (§232.405 of this chapter) 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, 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 ☑

On April 28, 2023, the registrant had outstanding 83,759,495 shares of Common Stock, par value $.01 per share.

Pediatrix Medical Group, Inc.

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Pediatrix Medical Group, Inc.
Consolidated Balance Sheets
(in thousands)
(Unaudited)

	March 31, 2023	December 31, 2022
ASSETS		
Current assets:		
Cash and cash equivalents	$ 6,124	$ 9,824
Short-term investments	96,709	93,239
Accounts receivable, net	278,739	296,787
Prepaid expenses	14,951	14,878
Other current assets	12,069	13,261
Total current assets	408,592	427,989
Property and equipment, net	72,928	73,290
Goodwill	1,532,092	1,532,092
Intangible assets, net	17,487	18,491
Operating and finance lease right-of-use assets	66,793	66,924
Deferred income tax assets	102,778	105,925
Other assets	119,381	123,176
Total assets	$ 2,320,051	$ 2,347,887
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 226,675	$ 374,225
Current portion of debt and finance lease liabilities, net	14,914	14,898
Current portion of operating lease liabilities	21,058	21,589
Income taxes payable	21,571	16,271
Total current liabilities	284,218	426,983
Line of credit	114,000	4,000
Long-term debt and finance lease liabilities, net	628,814	632,381
Long-term operating lease liabilities	43,977	44,213
Long-term professional liabilities	268,922	275,629
Deferred income tax liabilities	32,703	33,638
Other liabilities	37,646	39,411
Total liabilities	1,410,280	1,456,255
Commitments and contingencies		
Shareholders’ equity:		
Preferred stock; $.01 par value; 1,000 shares authorized; none issued	—	—
Common stock; $.01 par value; 200,000 shares authorized; 83,634 and 82,947 shares issued and outstanding, respectively	836	829
Additional paid-in capital	986,923	983,601
Accumulated other comprehensive loss	(3,131)	(3,735)
Retained deficit	(74,857)	(89,063)
Total shareholders’ equity	909,771	891,632
Total liabilities and shareholders' equity	$ 2,320,051	$ 2,347,887

The accompanying notes are an integral part of these Consolidated Financial Statements.

Pediatrix Medical Group, Inc.
Consolidated Statements of Income and Comprehensive Income
(in thousands, except per share data)
(Unaudited)

	Three Months Ended March 31,	
	2023	**2022**
Net revenue	$ 491,008	$ 482,229
Operating expenses:		
Practice salaries and benefits	362,235	343,155
Practice supplies and other operating expenses	30,720	28,489
General and administrative expenses	59,059	61,287
Depreciation and amortization	8,953	8,769
Transformational and restructuring related expenses	—	1,421
Total operating expenses	460,967	443,121
Income from operations	30,041	39,108
Investment and other income	634	875
Interest expense	(10,390)	(11,818)
Loss on early extinguishment of debt	—	(57,016)
Equity in earnings of unconsolidated affiliate	427	505
Total non-operating expenses	(9,329)	(67,454)
Income (loss) from continuing operations before income taxes	20,712	(28,346)
Income tax (provision) benefit	(6,506)	7,401
Income (loss) from continuing operations	14,206	(20,945)
Loss from discontinued operations, net of tax	—	(247)
Net income (loss)	14,206	(21,192)
Net loss attributable to noncontrolling interest	—	4
Net income (loss) attributable to Pediatrix Medical Group, Inc.	$ 14,206	$ (21,188)
Other comprehensive income (loss), net of tax		
Unrealized holding gain (loss) on investments, net of tax of $227 and $894	604	(2,668)
Total comprehensive income (loss) attributable to Pediatrix Medical Group, Inc.	$ 14,810	$ (23,856)
Per common and common equivalent share data:		
Net income (loss) attributable to Pediatrix Medical Group, Inc.:		
Basic	$ 0.17	$ (0.25)
Diluted	$ 0.17	$ (0.25)
Weighted average common shares:		
Basic	81,894	85,405
Diluted	82,318	85,405

The accompanying notes are an integral part of these Consolidated Financial Statements.

Pediatrix Medical Group, Inc.
Consolidated Statements of Shareholders' Equity
(in thousands)

	Common Stock					
	Number of Shares	Amount	Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Retained Deficit	Total Equity
2023						
Balance at January 1, 2023	82,947	$ 829	$ 983,601	$ (3,735)	$ (89,063)	$ 891,632
Net income	—	—	—	—	14,206	14,206
Unrealized holding gain on investments, net of tax	—	—	—	604	—	604
Common stock issued under employee stock option, employee stock purchase plan and stock purchase plan	86	—	1,095	—	—	1,095
Issuance of restricted stock	871	9	(9)	—	—	—
Forfeitures of restricted stock	(221)	(2)	2	—	—	—
Stock-based compensation expense	—	—	3,009	—	—	3,009
Repurchased common stock	(49)	—	(775)	—	—	(775)
Balance at March 31, 2023	83,634	$ 836	$ 986,923	$ (3,131)	$ (74,857)	$ 909,771
2022						
Balance at January 1, 2022	86,423	$ 864	$ 1,049,696	$ 1,317	$ (155,185)	$ 896,692
Net loss	—	—	—	—	(21,188)	(21,188)
Dissolution of and net loss attributable to noncontrolling interest [(1)]	—	—	10	—	(213)	(203)
Unrealized holding loss on investments, net of tax	—	—	—	(2,668)	—	(2,668)
Common stock issued under employee stock option, employee stock purchase plan and stock purchase plan	50	—	1,174	—	—	1,174
Issuance of restricted stock	766	8	(8)	—	—	—
Forfeitures of restricted stock	(5)	—	—	—	—	—
Stock-based compensation expense	—	—	4,435	—	—	4,435
Repurchased common stock	(50)	—	(1,166)	—	—	(1,166)
Balance at March 31, 2022	87,184	$ 872	$ 1,054,141	$ (1,351)	$ (176,586)	$ 877,076

(1) Net loss component is presented within retained deficit on the consolidated balance sheet as the balance is immaterial.

The accompanying notes are an integral part of these Consolidated Financial Statements.

Pediatrix Medical Group, Inc.
Consolidated Statements of Cash Flows
(in thousands)
(Unaudited)

	Three Months Ended March 31,	
	2023	**2022**
Cash flows from operating activities:		
Net income (loss)	$ 14,206	$ (21,188)
Income from discontinued operations	—	247
Adjustments to reconcile net income (loss) to net cash from operating activities:		
Depreciation and amortization	8,953	8,769
Amortization of premiums, discounts and issuance costs	393	577
Loss on early extinguishment of debt	—	57,016
Stock-based compensation expense	3,009	4,435
Deferred income taxes	2,008	2,389
Other	(391)	(605)
Changes in assets and liabilities:		
Accounts receivable	21,345	(20,152)
Prepaid expenses and other current assets	(4,470)	16,212
Other long-term assets	952	863
Accounts payable and accrued expenses	(150,125)	(159,271)
Income taxes payable	5,299	17,216
Long-term professional liabilities	2,378	2,684
Other liabilities	(4,201)	877
Net cash used in operating activities – continuing operations	(100,644)	(89,931)
Net cash used in operating activities - discontinued operations	(273)	(7,551)
Net cash used in operating activities	(100,917)	(97,482)
Cash flows from investing activities:		
Acquisition payments, net of cash acquired	(1,667)	(25,667)
Purchases of investments	(9,549)	(1,272)
Proceeds from maturities or sales of investments	6,865	7,712
Purchases of property and equipment	(6,999)	(7,145)
Other	—	99
Net cash used in investing activities	(11,350)	(26,273)
Cash flows from financing activities:		
Borrowings on credit agreement	216,000	248,500
Payments on credit agreement	(106,000)	(99,500)
Payments on term loan	(3,125)	—
Redemption of senior notes, including call premium	—	(1,046,880)
Proceeds from senior notes and term loan	—	650,000
Payments for financing costs	—	(7,924)
Payments on finance lease obligations	(703)	(747)
Proceeds from issuance of common stock	1,095	1,174
Repurchases of common stock	(775)	(1,166)
Other	2,075	86
Net cash provided by (used in) financing activities	108,567	(256,457)
Net decrease in cash and cash equivalents	(3,700)	(380,212)
Cash and cash equivalents at beginning of period	9,824	387,391
Cash and cash equivalents at end of period	$ 6,124	$ 7,179

The accompanying notes are an integral part of these Consolidated Financial Statements.

1. Basis of Presentation:

On July 1, 2022, effective after the close of the market, the Company changed its corporate name from "Mednax, Inc." to “Pediatrix Medical Group, Inc." signifying the Company's return to its core focus in caring for women, babies and children. The Company’s common stock continues to trade on the New York Stock Exchange under the ticker symbol “MD.”

The accompanying unaudited Consolidated Financial Statements of the Company and the notes thereto presented in this Form 10-Q have been prepared in accordance with the rules and regulations of the Securities and Exchange Commission ("SEC") applicable to interim financial statements, and do not include all disclosures required by accounting principles generally accepted in the United States of America (“GAAP”) for complete financial statements. In the opinion of management, these financial statements include all adjustments, consisting only of normal recurring adjustments, necessary for a fair statement of the results of interim periods. The financial statements include all the accounts of Pediatrix Medical Group, Inc. and its consolidated subsidiaries (collectively, “PMG”) together with the accounts of PMG’s affiliated business corporations or professional associations, professional corporations, limited liability companies and partnerships (the “affiliated professional contractors”). Certain subsidiaries of PMG have contractual management arrangements with its affiliated professional contractors, which are separate legal entities that provide physician services in certain states. The Company ceased providing services in Puerto Rico effective December 31, 2022. The terms “Pediatrix” and the “Company” refer collectively to Pediatrix Medical Group Inc., its subsidiaries and the affiliated professional contractors.

The Company is a party to a joint venture in which it owns a 37.5% economic interest. The Company accounts for this joint venture under the equity method of accounting because the Company exercises significant influence over, but does not control, this entity. The Company was also a party to another joint venture in which it owned a 51% economic interest and for which it was deemed the primary beneficiary. This joint venture was dissolved in February 2022. The operating results related to this joint venture prior to the dissolution and impacts from such dissolution were not material.

The consolidated results of operations for the interim periods presented are not necessarily indicative of the results to be experienced for the entire fiscal year. In addition, the accompanying unaudited Consolidated Financial Statements and the notes thereto should be read in conjunction with the Consolidated Financial Statements and the notes thereto included in the Company’s most recent Annual Report on Form 10-K (the “Form 10-K”).

2. Coronavirus Pandemic (“COVID-19”):

COVID-19 has had an impact on the demand for medical services provided by the Company's affiliated clinicians. Beginning in mid-March 2020 and throughout the second quarter of 2020, the Company's operating results were significantly impacted by COVID-19, but volumes began to normalize in mid-2020 and substantially recovered throughout 2020 with no material impacts from COVID-19 or its variants since that time. However, due to the continued uncertainties surrounding the timeline of and impacts from COVID-19 and with multiple variant strains still circulating, the Company is unable to predict the ultimate impact of COVID-19 on its business, financial condition, results of operations, cash flows and the trading price of its securities at this time.

CARES Act

In March 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed into law. The CARES Act is a relief package intended to assist many aspects of the American economy, including providing financial aid to the healthcare industry to reimburse healthcare providers for lost revenue and expenses attributable to COVID-19. The Department of Health and Human Services is administering this program and began disbursing funds in April 2020, of which the Company’s affiliated physician practices within continuing operations recognized an aggregate of $10.4 million during the three months ended March 31, 2022.

3. Cash Equivalents and Investments:

As of March 31, 2023 and December 31, 2022, the Company's cash equivalents consisted entirely of money market funds totaling $2.5 million and $1.4 million, respectively.

Investments held are all classified as current and at March 31, 2023 and December 31, 2022 are summarized as follows (in thousands):

	March 31, 2023	December 31, 2022
Corporate securities	$ 62,730	$ 61,385
Municipal debt securities	13,552	14,377
U.S. Treasury securities	10,255	10,205
Certificates of deposit	4,594	3,710
Federal home loan securities	5,578	3,562
	$ 96,709	$ 93,239

4. Fair Value Measurements:

The accounting guidance establishes a fair value hierarchy that prioritizes valuation inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of three levels:

Level 1 – inputs are based upon unadjusted quoted prices for identical instruments traded in active markets.

Level 2 – inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 – inputs are generally unobservable and typically reflect management's estimates of assumptions that market participants would use in pricing the asset or liability. The fair values are therefore determined using model-based techniques that include option pricing models, discounted cash flow models, and similar techniques.

The following table presents information about the Company's financial instruments that are accounted for at fair value on a recurring basis at March 31, 2023 and December 31, 2022 (in thousands):

	Fair Value Category	Fair Value	
		March 31, 2023	December 31, 2022
Assets:			
Money market funds	Level 1	$ 2,471	$ 1,415
Short-term investments	Level 2	96,709	93,239
Mutual Funds	Level 1	15,743	14,544

The following table presents information about the Company's financial instruments that are not carried at fair value at March 31, 2023 and December 31, 2022 (in thousands):

	March 31, 2023		December 31, 2022	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Liabilities:				
2030 Notes	$ 400,000	$ 361,000	400,000	344,000

The carrying amounts of cash equivalents, accounts receivable and accounts payable and accrued expenses approximate fair value due to the short maturities of the respective instruments. The carrying value of the line of credit approximates fair value. If the Company's line of credit was measured at fair value, it would be categorized as Level 2 in the fair value hierarchy.

5. Accounts Receivable and Net Revenue:

Accounts receivable, net consists of the following (in thousands):

	March 31, 2023	December 31, 2022
Gross accounts receivable	$ 1,467,937	$ 1,548,492
Allowance for contractual adjustments and uncollectibles	(1,189,198)	(1,251,705)
	$ 278,739	$ 296,787

Patient service revenue is recognized at the time services are provided by the Company's affiliated physicians. The Company's performance obligations related to the delivery of services to patients are satisfied at the time of service. Accordingly, there are no performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period with respect to patient service revenue. Almost all of the Company's patient service revenue is reimbursed by government-sponsored healthcare programs ("GHC Programs") and third-party insurance payors. Payments for services rendered to the Company's patients are generally less than billed charges. The Company monitors its revenue and receivables from these sources and records an estimated contractual allowance to properly account for the anticipated differences between billed and reimbursed amounts.

Accordingly, patient service revenue is presented net of an estimated provision for contractual adjustments and uncollectibles. The Company estimates allowances for contractual adjustments and uncollectibles on accounts receivable based upon historical experience and other factors, including days sales outstanding ("DSO") for accounts receivable, evaluation of expected adjustments and delinquency rates, past adjustments and collection experience in relation to amounts billed, an aging of accounts receivable, current contract and reimbursement terms, changes in payor mix and other relevant information. Contractual adjustments result from the difference between the physician rates for services performed and the reimbursements by GHC Programs and third-party insurance payors for such services.

Collection of patient service revenue the Company expects to receive is normally a function of providing complete and correct billing information to the GHC Programs and third-party insurance payors within the various filing deadlines and typically occurs within 30 to 60 days of billing.

Some of the Company's hospital agreements require hospitals to pay the Company administrative fees. Some agreements provide for fees if the hospital does not generate sufficient patient volume in order to guarantee that the Company receives a specified minimum revenue level. The Company also receives fees from hospitals for administrative services performed by its affiliated physicians providing medical director or other services at the hospital.

The following table summarizes the Company's net revenue by category (in thousands):

	Three Months Ended March 31,	
	2023	**2022**
Net patient service revenue	$ 423,184	$ 406,035
Hospital contract administrative fees	65,989	63,526
Other revenue	1,835	12,668
	$ 491,008	$ 482,229

The approximate percentage of net patient service revenue by type of payor was as follows:

	Three Months Ended March 31,	
	2023	**2022**
Contracted managed care	67%	67%
Government	26	26
Other third-parties	6	5
Private-pay patients	1	2
	100%	100%

6. Accounts Payable and Accrued Expenses:

Accounts payable and accrued expenses consist of the following (in thousands):

	March 31, 2023	**December 31, 2022**
Accounts payable	$35,333	$31,857
Accrued salaries and incentive compensation	67,767	197,831
Accrued payroll taxes and benefits	28,355	34,983
Accrued professional liabilities	26,062	32,232
Accrued interest	3,235	8,921
Other accrued expenses	65,923	68,401
	$226,675	$374,225

The net decrease in accrued salaries and incentive compensation of $130.0 million, from December 31, 2022 to March 31, 2023, is primarily due to the payment of performance-based incentive compensation, principally to the Company's affiliated physicians, partially offset by performance-based incentive compensation accrued during the three months ended March 31, 2023. A majority of the Company's payments for performance-based incentive compensation is paid annually during the first quarter.

7. Line of Credit and Long-Term Debt:

On February 11, 2022, the Company issued $400.0 million of 5.375% unsecured senior notes due 2030 (the "2030 Notes"). The Company used the net proceeds from the issuance of the 2030 Notes, together with $100.0 million drawn under the Revolving Credit Line (as defined below), $250.0 million of Term A Loan (as defined below) and approximately $308.0 million of cash on hand, to

redeem (the “Redemption”) the 2027 Notes, which had an outstanding principal balance of $1.0 billion, and to pay costs, fees and expenses associated with the Redemption and the Credit Agreement Amendment (as defined below).

Interest on the 2030 Notes accrues at the rate of 5.375% per annum, or $21.5 million, and is payable semi-annually in arrears on February 15 and August 15, beginning on August 15, 2022. The Company's obligations under the 2030 Notes are guaranteed on an unsecured senior basis by the same subsidiaries and affiliated professional contractors that guarantee the Amended Credit Agreement (as defined below). The indenture under which the 2030 Notes are issued, among other things, limits the Company's ability to (1) incur liens and (2) enter into sale and lease-back transactions, and also limits the Company's ability to merge or dispose of all or substantially all of its assets, in all cases, subject to a number of customary exceptions. Although the Company is not required to make mandatory redemption or sinking fund payments with respect to the 2030 Notes, upon the occurrence of a change in control, the Company may be required to repurchase the 2030 Notes at a purchase price equal to 101% of the aggregate principal amount of the 2030 Notes repurchased plus accrued and unpaid interest.

Also in connection with the Redemption, the Company amended its credit agreement (the “Credit Agreement”, and such amendment, the "Credit Agreement Amendment"), concurrently with the issuance of the 2030 Notes. The Credit Agreement Amendment, among other things, (i) refinanced the prior unsecured revolving credit facility with a $450 million unsecured revolving credit facility, including a $37.5 million sub-facility for the issuance of letters of credit (the “Revolving Credit Line”), and a $250 million term A loan facility (“Term A Loan”) and (ii) removed JPMorgan Chase Bank, N.A., as the administrative agent under the Credit Agreement and appointed Bank of America, N.A. as the administrative agent for the lenders.

The Credit Agreement, as amended by the Credit Agreement Amendment (the “Amended Credit Agreement”) matures on February 11, 2027 and is guaranteed on an unsecured basis by substantially all of the Company's subsidiaries and affiliated professional contractors. At the Company's option, borrowings under the Amended Credit Agreement bear interest at (i) the Alternate Base Rate (defined as the highest of (a) the prime rate as announced by Bank of America, N.A., (b) the Federal Funds Rate plus 0.50% and (c) Term Secured Overnight Financing Rate ("SOFR") for an interest period of one month plus 1.00% with a 1.00% floor) plus an applicable margin rate of 0.50% for the first two fiscal quarters after the date of the Credit Agreement Amendment, and thereafter at an applicable margin rate ranging from 0.125% to 0.750% based on the Company's consolidated net leverage ratio or (ii) Term SOFR rate (calculated as the Secured Overnight Financing Rate published on the applicable Reuters screen page plus a spread adjustment of 0.10%, 0.15% or 0.25% depending on if the Company selects a one-month, three-month or six-month interest period, respectively, for the applicable loan with a 0% floor), plus an applicable margin rate of 1.50% for the first two full fiscal quarters after the date of the Credit Agreement Amendment, and thereafter at an applicable margin rate ranging from 1.125% to 1.750% based on the Company's consolidated net leverage ratio. The Amended Credit Agreement also provides for other customary fees and charges, including an unused commitment fee with respect to the Revolving Credit Line ranging from 0.150% to 0.200% of the unused lending commitments under the Revolving Credit Line, based on the Company's consolidated net leverage ratio.

The Amended Credit Agreement contains customary covenants and restrictions, including covenants that require the Company to maintain a minimum interest coverage ratio, a maximum consolidated total consolidated net leverage ratio and to comply with laws, and restrictions on the ability to pay dividends, incur indebtedness or liens and make certain other distributions subject to baskets and exceptions, in each case, as specified therein. Failure to comply with these covenants would constitute an event of default under the Amended Credit Agreement, notwithstanding the ability of the Company to meet its debt service obligations. The Amended Credit Agreement includes various customary remedies for the lenders following an event of default, including the acceleration of repayment of outstanding amounts under the Amended Credit Agreement. In addition, the Company may increase the principal amount of the Revolving Credit Line or incur additional term loans under the Amended Credit Agreement in an aggregate principal amount such that on a pro forma basis after giving effect to such increase or additional term loans, the Company would be in compliance with the financial covenants, subject to the satisfaction of specified conditions and additional caps in the event that the Amended Credit Agreement is secured.

At March 31, 2023, the Company had an outstanding principal balance on the Amended Credit Agreement of $351.5 million, composed of $237.5 million under the Term A Loan and $114.0 million under the Revolving Credit Line. The Company had $336.0 million available on its Amended Credit Agreement at March 31, 2023.

At March 31, 2023, the Company had an outstanding principal balance of $400.0 million on the 2030 Notes.

8. Common and Common Equivalent Shares:

Basic net income per common share is calculated by dividing net income by the weighted average number of common shares outstanding during the period. Diluted net income per common share is calculated by dividing net income by the weighted average number of common and potential common shares outstanding during the period. Potential common shares consist of outstanding restricted stock and stock options and is calculated using the treasury stock method.

The calculation of shares used in the basic and diluted net income per common share calculation for the three months ended March 31, 2023 and 2022 is as follows (in thousands):

	Three Months Ended March 31,	
	2023	2022
Weighted average number of common shares outstanding	81,894	85,405
Weighted average number of dilutive common share equivalents	424	—
Weighted average number of common and common equivalent shares outstanding [(a)]	82,318	85,405
Antidilutive securities (restricted stock and stock options) not included in the diluted net income per common share calculation	1,377	248

[(a)] Due to a loss from continuing operations for the three months ended March 31, 2022, 0.9 million incremental shares are not included because the effect would be antidilutive.

9. Stock Incentive Plans and Stock Purchase Plans:

The Company's Amended and Restated 2008 Incentive Compensation Plan (the "Amended and Restated 2008 Incentive Plan") provides for grants of stock options, stock appreciation rights, restricted stock, deferred stock, and other stock-related awards and performance awards that may be settled in cash, stock or other property.

Under the Amended and Restated 2008 Incentive Plan, options to purchase shares of common stock may be granted at a price not less than the fair market value of the shares on the date of grant. The options must be exercised within 10 years from the date of grant and generally become exercisable on a pro rata basis over a three-year period from the date of grant. The Company issues new shares of its common stock upon exercise of its stock options. Restricted stock awards generally vest over periods of three years upon the fulfillment of specified service-based conditions and in certain instances performance-based conditions. Deferred stock awards generally vest upon the satisfaction of specified performance-based conditions and service-based conditions. The Company recognizes compensation expense related to its restricted stock and deferred stock awards ratably over the corresponding vesting periods. During the three months ended March 31, 2023, the Company granted 0.7 million shares of restricted stock to its employees under the Amended and Restated 2008 Incentive Plan. At March 31, 2023, the Company had 8.0 million shares available for future grants and awards under the Amended and Restated 2008 Incentive Plan.

Under the Company's Amended and Restated 1996 Non-Qualified Employee Stock Purchase Plan, as amended (the "ESPP"), employees are permitted to purchase the Company's common stock at 85% of market value on January 1st, April 1st, July 1st and October 1st of each year. Under the Company's 2015 Non-Qualified Stock Purchase Plan (the "SPP"), certain eligible non-employee service providers are permitted to purchase the Company's common stock at 90% of market value on January 1st, April 1st, July 1st and October 1st of each year.

The Company recognizes stock-based compensation expense for the discount received by participating employees and non-employee service providers. During the three months ended March 31, 2023, approximately 0.1 million shares were issued under the ESPP. At March 31, 2023, the Company had approximately 2.4 million shares reserved for issuance under the ESPP. At March 31, 2023, the Company had approximately 61,000 shares in the aggregate reserved for issuance under the SPP. No shares have been issued under the SPP since 2020.

During the three months ended March 31, 2023 and 2022, the Company recognized stock-based compensation expense of $3.0 million and $4.4 million, respectively.

10. Common Stock Repurchase Programs:

In July 2013, the Company's Board of Directors authorized the repurchase of shares of the Company's common stock up to an amount sufficient to offset the dilutive impact from the issuance of shares under the Company's equity compensation programs. The share repurchase program allows the Company to make open market purchases from time-to-time based on general economic and market conditions and trading restrictions. The repurchase program also allows for the repurchase of shares of the Company's common stock to offset the dilutive impact from the issuance of shares, if any, related to the Company's acquisition program. No shares were purchased under this program during the three months ended March 31, 2023.

In August 2018, the Company announced that its Board of Directors had authorized the repurchase of up to $500.0 million of the Company's common stock in addition to its existing share repurchase program, of which $5.5 million remained available for repurchase as of December 31, 2022. Under this share repurchase program, during the three months ended March 31, 2023, the Company purchased a nominal number of shares of its common stock for $0.8 million representing shares withheld to satisfy minimum statutory withholding obligations in connection with the vesting of restricted stock, resulting in $4.7 million remaining available for repurchase under this authorization as of March 31, 2023.

The Company intends to utilize various methods to effect any future share repurchases, including, among others, open market purchases and accelerated share repurchase programs. The amount and timing of repurchases will depend upon several factors, including general economic and market conditions and trading restrictions.

11. Commitments and Contingencies:

The Company expects that audits, inquiries and investigations from government authorities and agencies will occur in the ordinary course of business. Such audits, inquiries and investigations and their ultimate resolutions, individually or in the aggregate, could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and the trading price of its securities. The Company has not included an accrual for these matters as of March 31, 2023 in its Consolidated Financial Statements, as the variables affecting any potential eventual liability depend on the currently unknown facts and circumstances that arise out of, and are specific to, any particular future audit, inquiry and investigation and cannot be reasonably estimated at this time.

In the ordinary course of business, the Company becomes involved in pending and threatened legal actions and proceedings, most of which involve claims of medical malpractice related to medical services provided by the Company's affiliated physicians. The Company's contracts with hospitals generally require the Company to indemnify them and their affiliates for losses resulting from the negligence of the Company's affiliated physicians. The Company may also become subject to other lawsuits which could involve large claims and significant costs. The Company believes, based upon a review of pending actions and proceedings, that the outcome of such legal actions and proceedings will not have a material adverse effect on its business, financial condition, results of operations, cash flows and the trading price of its securities. The outcome of such actions and proceedings, however, cannot be predicted with certainty and an unfavorable resolution of one or more of them could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and the trading price of its securities.

Although the Company currently maintains liability insurance coverage intended to cover professional liability and certain other claims, the Company cannot assure that its insurance coverage will be adequate to cover liabilities arising out of claims asserted against it in the future where the outcomes of such claims are unfavorable. With respect to professional liability risk, the Company generally self-insures a portion of this risk through its wholly owned captive insurance subsidiary. Liabilities in excess of the Company's insurance coverage, including coverage for professional liability and certain other claims, could have a material adverse effect on the Company's business, financial condition, results of operations, cash flows and the trading price of its securities.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion highlights the principal factors that have affected our financial condition and results of operations, as well as our liquidity and capital resources, for the periods described. This discussion should be read in conjunction with the unaudited Consolidated Financial Statements and the notes thereto included in this Quarterly Report. In addition, reference is made to our audited consolidated financial statements and notes thereto and related Management's Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, filed with the Securities and Exchange Commission on February 17, 2023 (the "2022 Form 10-K"). As used in this Quarterly Report, the terms "Pediatrix", the "Company", "we", "us" and "our" refer to the parent company, Pediatrix Medical Group, Inc., a Florida corporation, and the consolidated subsidiaries through which its businesses are actually conducted (collectively, "PMG"), together with PMG's affiliated business corporations or professional associations, professional corporations, limited liability companies and partnerships ("affiliated professional contractors"). Certain subsidiaries of PMG have contracts with our affiliated professional contractors, which are separate legal entities that provide physician services in certain states. We ceased providing services in Puerto Rico on December 31, 2022. The following discussion contains forward-looking statements. Please see the Company's 2022 Form 10-K, including Item 1A, Risk Factors, for a discussion of the uncertainties, risks and assumptions associated with these forward-looking statements. In addition, please see "Caution Concerning Forward-Looking Statements" below.

Company Name Change

On July 1, 2022, effective after the close of the market, we changed our corporate name from "Mednax, Inc." to "Pediatrix Medical Group, Inc." signifying our return to our core focus in caring for women, babies and children. Our common stock continues to trade on the New York Stock Exchange under the ticker symbol "MD."

Overview

Pediatrix is a leading provider of physician services including newborn, maternal-fetal, pediatric cardiology and other pediatric subspecialty care. Our national network is comprised of affiliated physicians who provide clinical care in 37 states. We ceased providing services in Puerto Rico on December 31, 2022. Our affiliated physicians provide neonatal clinical care, primarily within hospital-based neonatal intensive care units ("NICUs"), to babies born prematurely or with medical complications; and maternal-fetal and obstetrical medical care to expectant mothers experiencing complicated pregnancies, primarily in areas where our affiliated neonatal physicians practice. Our network also includes other pediatric subspecialists, including those who provide pediatric intensive care, pediatric cardiology care, hospital-based pediatric care, pediatric surgical care, pediatric ear, nose and throat, pediatric ophthalmology, pediatric urology services and pediatric primary and urgent care.

General Economic Conditions and Other Factors

Our operations and performance depend significantly on economic conditions. During the three months ended March 31, 2023, the percentage of our patient service revenue being reimbursed under government-sponsored healthcare programs ("GHC Programs") increased as compared to the three months ended March 31, 2022. We could experience additional shifts toward GHC Programs if changes occur in economic behaviors or population demographics within geographic locations in which we provide services, including an increase in unemployment and underemployment as well as losses of commercial health insurance or if there are additional impacts from COVID-19 or its variants. Payments received from GHC Programs are substantially less for equivalent services than payments received from commercial insurance payors. In addition, costs of managed care premiums and patient responsibility amounts continue to rise, and accordingly, we may experience lower net revenue resulting from increased bad debt due to patients' inability to pay for certain services.

"Surprise" Billing Legislation

In late 2020, Congress enacted legislation intended to protect patients from "surprise" medical bills when services are furnished by providers who are not in network with the patient's insurer (the "No Surprises Act" or the "NSA"). Effective January 1, 2022, if the patient's insurance plan is subject to the NSA, providers are not permitted to send patients an unexpected or "surprise" medical bill that arises from out-of-network emergency care provided at an out-of-network facility or at in-network facilities by out-of-network providers and out-of-network nonemergency care provided at in-network facilities without the patient's informed consent. Many states have legislation on this topic and will continue to modify and review their laws pertaining to surprise billing.

Under the NSA, patients are only required to pay the in-network cost-sharing amount, which has been determined through an established regulatory formula and will count toward the patient's health plan deductible and out-of-pocket cost-sharing limits. Providers will generally not be permitted to balance bill patients beyond this cost-sharing amount. An out-of-network provider will only be permitted to bill a patient more than the in-network cost-sharing amount for care if the provider gives the patient notice of the provider's network status and delivers to the patient or their health plan an estimate of charges within certain specified timeframes, and obtains the patient's written consent prior to the delivery of care. Providers that violate these surprise billing prohibitions may be subject to state enforcement action or federal civil monetary penalties.

Also under the NSA, out of network providers will be paid an amount determined by the patient's insurer for services rendered in the emergency care setting; if a provider is not satisfied with the amount paid for the services, the provider can pursue recourse through an independent dispute resolution ("IDR") process. These IDR results will bind both the provider and payor for a 90-day period. In August 2022, the United States Department of Health and Human Services, Department of Labor and Department of Treasury (the "Departments") issued their final rule and corresponding guidance implementing certain portions of the IDR process under the NSA. The Departments plan to publish additional rules and guidance in the coming months and years. Certain IDR-related provisions of the NSA are being challenged in courts by

provider groups, and the result of this litigation may alter portions of the law. Accordingly, we cannot predict how these IDR results will compare to the rates that our affiliated physicians customarily receive for their services.

These measures could limit the amount we can charge and recover for services we furnish where we have not contracted with the patient's insurer, and therefore could have a material adverse effect on our business, financial condition, results of operations, cash flows and the trading price of our securities. Moreover, these measures could affect our ability to contract with certain payors and under historically similar terms and may cause, and the prospect of these changes may have caused, payors to terminate their contracts with us and our affiliated practices, further affecting our business, financial condition, results of operations, cash flows and the trading price of our securities.

Healthcare Reform

The Patient Protection and Affordable Care Act (the "ACA") contains a number of provisions that have affected us and, absent amendment or repeal, may continue to affect us over the next several years. These provisions include the establishment of health insurance exchanges to facilitate the purchase of qualified health plans, expanded Medicaid eligibility, subsidized insurance premiums and additional requirements and incentives for businesses to provide healthcare benefits. Other provisions have expanded the scope and reach of the Federal Civil False Claims Act and other healthcare fraud and abuse laws. Moreover, we could be affected by potential changes to various aspects of the ACA, including changes to subsidies, healthcare insurance marketplaces and Medicaid expansion.

Despite the ACA going into effect over a decade ago, continuous legal and Congressional challenges to the law's provisions and persisting uncertainty with respect to the scope and effect of certain provisions have made compliance costly. In 2017, Congress unsuccessfully sought to replace substantial parts of the ACA with different mechanisms for facilitating insurance coverage in the commercial and Medicaid markets. Congress may again attempt to enact substantial or target changes to the ACA in the future. Additionally, Centers for Medicare & Medicaid Services ("CMS") has administratively revised a number of provisions and may seek to advance additional significant changes through regulation, guidance and enforcement in the future.

At the end of 2017, Congress repealed the part of the ACA that required most individuals to purchase and maintain health insurance or face a tax penalty, known as the individual mandate. In light of these changes, in December 2018, a federal district court in Texas declared that key portions of the ACA were inconsistent with the U.S. Constitution and that the entire ACA is invalid as a result. Several states appealed this decision, and in December 2019, a federal court of appeals upheld the district court's conclusion that part of the ACA is unconstitutional but remanded for further evaluation whether in light of this defect the entire ACA must be invalidated. Democratic attorneys general and the House appealed the Fifth Circuit's decision to the United States Supreme Court. On June 17, 2021, the United States Supreme Court in California et al. v. Texas et al. dismissed this judicial challenge to the ACA brought by several states and sided with supporters of the ACA in a way that left the law in effect in its current form. Another potentially existential challenge to the ACA is advancing in federal courts. In Braidwood Management v. Becerra, the plaintiffs argue that the law's requirement that insurance cover certain preventive services is unconstitutional. In September 2022, a federal district court in Texas ruled in favor of the plaintiffs, finding, among other things, that the requirement that self-funded plans and insurers cover certain preventive services violates the plaintiffs' rights under the Religious Freedom Restoration Act. The case is likely to be appealed and may ultimately be resolved by the United States Supreme Court. If the case succeeds, millions of Americans could lose access to preventive care guaranteed by the ACA or be forced to pay out of pocket for these services. Notwithstanding the Supreme Court's ruling, we cannot say for certain whether there will be future challenges to the ACA or what impact, if any, such challenges may have on our business. Changes resulting from these proceedings could have a material impact on our business.

In late 2020 and early 2021, the results of the federal and state elections changed which persons and parties occupy the Office of the President of the United States and the U.S. Senate and many states' governors and legislatures. In late 2022, the results of the federal elections changed which party controls the U.S. House of Representatives. The current Administration may propose sweeping changes to the U.S. healthcare system, including expanding government-funded health insurance options, additional Medicaid expansion or replacing current healthcare financing mechanisms with systems that would be entirely administered by the federal government. Any legislative or administrative change to the current healthcare financing system could have a material adverse effect on our financial condition, results of operations, cash flows and the trading price of our securities.

In addition to the potential impacts to the ACA, there could be changes to other GHC Programs, such as a change to the structure of Medicaid or Medicaid payment rates set forth under state law. Historically, Congress and the Administration have sought to convert Medicaid into a block grant or to institute per capita spending caps, among other things. These changes, if implemented, could eliminate the guarantee that everyone who is eligible and applies for benefits would receive them and could potentially give states new authority to restrict eligibility, cut benefits and make it more difficult for people to enroll. Additionally, several states are considering and pursuing changes to their Medicaid programs, such as requiring recipients to engage in employment or education activities as a condition of eligibility for most adults, disenrolling recipients for failure to pay a premium, or adjusting premium amounts based on income. Many states have recently shifted a majority or all of their Medicaid program beneficiaries into Managed Medicaid Plans. Managed Medicaid Plans have some flexibility to set rates for providers, but many states require minimum provider rates in their contracts with such plans. In July of each year, CMS releases the annual Medicaid Managed Care Rate Development Guide which provides federal baseline rules for setting reimbursement rates in managed care plans. We could be affected by lower reimbursement rates in some of all of the Managed Medicaid Plans with which we participate. We could also be materially impacted if we are dropped from the provider network in one or more of the Managed Medicaid Plans with which we currently participate.

We cannot predict with any assurance the ultimate effect of these laws and resulting changes to payments under GHC Programs, nor can we provide any assurance that they will not have a material adverse effect on our business, financial condition, results of operations, cash flows and the trading price of our securities. Further, any fiscal tightening impacting GHC Programs or changes to the structure of any GHC Programs could have a material adverse effect on our financial condition, results of operations, cash flows and the trading price of our securities.

Medicaid Expansion

The ACA also allows states to expand their Medicaid programs through federal payments that fund most of the cost of increasing the Medicaid eligibility income limit from a state's historic eligibility levels to 133% of the federal poverty level. To date, 39 states and the District of Columbia have expanded Medicaid eligibility to cover this additional low-income patient population, and other states are considering expansion. All of the states in which we operate, however, already cover children in the first year of life and pregnant women if their household income is at or below 133% of the federal poverty level. Recently, Democrats in Congress have sought to expand Medicaid or Medicaid-like coverage in states that have not yet expanded Medicaid. They also have sought to reduce payments to certain hospitals in some of these states. Additionally, as noted above, Congress is currently considering altering the terms and state remuneration for Medicaid expansion pursuant to the ACA. Should any of these changes take effect, we cannot predict with any assurance the ultimate effect to reimbursements for our services.

Coronavirus Pandemic ("COVID-19")

COVID-19 has had an impact on the demand for medical services provided by our affiliated clinicians. Beginning in mid-March 2020 and continuing throughout the second quarter of 2020, our operating results were significantly impacted by COVID-19, but volumes began to normalize in mid-2020 and substantially recovered throughout 2020 with no material impacts from COVID-19 or its variants since that time. However, due to the continued uncertainties surrounding the timeline of and impacts from COVID-19 and with multiple variant strains still circulating, we are unable to predict the ultimate impact on our business, financial condition, results of operations, cash flows and the trading price of our securities at this time.

CARES Act

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was signed into law. The CARES Act is a relief package intended to assist many aspects of the American economy, including providing financial aid to the healthcare industry to reimburse healthcare providers for lost revenue and expenses attributable to COVID-19. The Department of Health and Human Services is administering this program, and our affiliated physician practices within continuing operations recognized an aggregate of $10.4 million of CARES Act relief within miscellaneous revenue during the three months ended March 31, 2022.

Non-GAAP Measures

In our analysis of our results of operations, we use certain non-GAAP financial measures. We report adjusted earnings before interest, taxes and depreciation and amortization ("Adjusted EBITDA") from continuing operations, which is defined as income (loss) from continuing operations before interest, income taxes, depreciation and amortization, and transformational and restructuring related expenses. We also report adjusted earnings per share ("Adjusted EPS") from continuing operations which consists of diluted income (loss) from continuing operations per common and common equivalent share adjusted for amortization expense, stock-based compensation expense, transformational and restructuring related expenses and any impacts from discrete tax events. For the three months ended March 31, 2022, both Adjusted EBITDA and Adjusted EPS are being further adjusted to exclude the impacts from the loss on the early extinguishment of debt.

We believe these measures, in addition to income from continuing operations, net income and diluted net income from continuing operations per common and common equivalent share, provide investors with useful supplemental information to compare and understand our underlying business trends and performance across reporting periods on a consistent basis. These measures should be considered a supplement to, and not a substitute for, financial performance measures determined in accordance with GAAP. In addition, since these non-GAAP measures are not determined in accordance with GAAP, they are susceptible to varying calculations and may not be comparable to other similarly titled measures of other companies.

For a reconciliation of each of Adjusted EBITDA from continuing operations and Adjusted EPS from continuing operations to the most directly comparable GAAP measures for the three months ended March 31, 2023 and 2022, refer to the tables below (in thousands, except per share data).

	Three Months Ended March 31,	
	2023	**2022**
Income (loss) from continuing operations attributable to Pediatrix Medical Group, Inc.	$ 14,206	$ (20,941)
Interest expense	10,390	11,818
Loss on early extinguishment of debt	—	57,016
Income tax provision (benefit)	6,506	(7,401)
Depreciation and amortization expense	8,953	8,769
Transformational and restructuring related expenses	—	1,421
Adjusted EBITDA from continuing operations attributable to Pediatrix Medical Group, Inc.	$ 40,055	$ 50,682

	Three Months Ended March 31,			
	2023		2022	
Weighted average diluted shares outstanding	82,318		85,405	
Income (loss) from continuing operations and diluted income from continuing operations per share attributable to Pediatrix Medical Group, Inc.	$ 14,206	$ 0.17	$ (20,941)	$ (0.25)
Adjustments [1]:				
Amortization (net of tax of $499 and $541)	1,496	0.02	1,621	0.02
Stock-based compensation (net of tax of $752 and $1,109)	2,257	0.03	3,326	0.04
Transformational and restructuring expenses (net of tax of $355)	—	—	1,066	0.01
Loss on early extinguishment of debt (net of tax of $14,254)	—	—	42,762	0.50
Net impact from discrete tax events	720	0.01	492	0.01
Adjusted income and diluted EPS from continuing operations attributable to Pediatrix Medical Group, Inc.	$ 18,679	$ 0.23	$ 28,326	$ 0.33

(1) A blended tax rate of 25% was used to calculate the tax effects of the adjustments for the three months ended March 31, 2023 and 2022.

Results of Operations

Three Months Ended March 31, 2023 as Compared to Three Months Ended March 31, 2022

Our net revenue attributable to continuing operations was $491.0 million for the three months ended March 31, 2023, as compared to $482.2 million for the same period in 2022. The increase in revenue of $8.8 million, or 1.8%, was primarily attributable to an increase in same-unit revenue, partially offset by a decrease in revenue from net acquisitions. Same units are those units at which we provided services for the entire current period and the entire comparable period. Same-unit net revenue increased by $9.4 million, or 2.0%. The increase in same-unit net revenue was comprised of an increase of $7.4 million, or 1.6%, related to patient service volumes and $2.0 million, or 0.4%, from net reimbursement-related factors. The increase in revenue from patient service volumes was related to increases in maternal-fetal medicine and other pediatric subspecialty services, partially offset by a modest decline in neonatology. The net increase in revenue related to net reimbursement-related factors was primarily due to an increase in revenue resulting from improved cash collections in revenue cycle management, partially offset by decreases in revenue from CARES Act relief and an increase in the percentage of our patients being enrolled in GHC programs.

Practice salaries and benefits attributable to continuing operations increased $19.0 million, or 5.6%, to $362.2 million for the three months ended March 31, 2023, as compared to $343.2 million for the same period in 2022. Of the $19.0 million increase, $17.2 million was related to salaries, driven by increases in clinical compensation at our existing units, and $1.8 million was related to benefits and incentive compensation, due to increased benefits costs as a result of increased salaries expense, partially offset by lower incentive compensation expense.

Practice supplies and other operating expenses attributable to continuing operations increased $2.2 million, or 7.8%, to $30.7 million for the three months ended March 31, 2023, as compared to $28.5 million for the same period in 2022. The increase was primarily attributable to practice supply, rent and other costs related to our existing units, including an increase in medical supplies and other miscellaneous expenses as compared to the prior year period.

General and administrative expenses attributable to continuing operations primarily include all billing and collection functions and all other salaries, benefits, supplies and operating expenses not specifically related to the day-to-day operations of our affiliated physician practices and services. General and administrative expenses were $59.1 million for the three months ended March 31, 2023, as compared to $61.3 million for the same period in 2022. The net decrease of $2.2 million was primarily related to salaries and benefit cost reductions from net staffing reductions and decreases in other expenses including travel and insurance. General and administrative expenses as a percentage of net revenue was 12.0% for the three months ended March 31, 2023, as compared to 12.7% for the same period in 2022.

Transformational and restructuring related expenses attributable to continuing operations were $1.4 million for three months ended March 31, 2022 and primarily related to position eliminations.

Depreciation and amortization expense attributable to continuing operations was $9.0 million for the three months ended March 31, 2023, as compared to $8.8 million for the same period in 2022. The net increase of $0.2 million was primarily related to an increase in depreciation expense at our existing units for information technology and other equipment.

Income from operations attributable to continuing operations decreased $9.1 million, or 23.2%, to $30.0 million for the three months ended March 31, 2023, as compared to $39.1 million for the same period in 2022. Our operating margin was 6.1% for the three months ended March 31, 2023, as compared to 8.1% for the same period in 2022. The decrease in our operating margin was primarily due to a decrease in CARES Act relief and net unfavorable impacts in our same-unit results driven by higher operating expenses, partially offset by same-unit revenue increases and lower general and administrative expenses. Excluding transformation and restructuring related expenses for the three months ended March 31, 2022, our income from operations attributable to continuing operations was $40.5 million and our operating margin was 8.4% for such period. We believe excluding the impacts from the transformational and restructuring related activity provides a more comparable view of our operating income and operating margin from continuing operations.

Total non-operating expenses attributable to continuing operations were $9.3 million for the three months ended March 31, 2023, as compared to $67.5 million for the same period in 2022. The net decrease in non-operating expenses was primarily related to a decrease of $57.0 million in loss on early extinguishment of debt from the redemption of our 6.25% senior unsecured notes due 2027 (the "2027 Notes") in February 2022.

Our effective income tax rate attributable to continuing operations ("tax rate") was 31.4% for the three months ended March 31, 2023 as compared to 26.1% for the three months ended March 31, 2022. The first quarter 2023 and 2022 tax rates include discrete tax expenses of $0.7 million and $0.5 million, respectively. After excluding discrete tax impacts during the three months ended March 31, 2023 and 2022, our tax rate was 27.9% for both periods. We believe excluding discrete tax impacts provides a more comparable view of our tax rate.

Net income attributable to Pediatrix Medical Group, Inc. was $14.2 million for the three months ended March 31, 2023, as compared to loss of $21.2 million for the same period in 2022. Adjusted EBITDA from continuing operations attributable to Pediatrix Medical Group, Inc. was $40.1 million for the three months ended March 31, 2023, as compared to $50.7 million for the same period in 2022. The decrease in our Adjusted EBITDA was primarily due to a decrease in CARES Act relief and net unfavorable impacts in our same-unit results, primarily from higher operating expenses.

Diluted net income from continuing operations per common and common equivalent share attributable to Pediatrix Medical Group, Inc. was $0.17 on weighted average shares outstanding of 82.3 million for the three months ended March 31, 2023, as compared to loss from continuing operations of $0.25 per common and common equivalent share on weighted average shares outstanding of 85.4 million for the same period in 2022. Adjusted EPS from continuing operations was $0.23 for the three months ended March 31, 2023, as compared to $0.33 for the same period in 2022. The decrease in weighted average shares outstanding resulted from the share repurchases completed during 2022.

Liquidity and Capital Resources

As of March 31, 2023, we had $6.1 million of cash and cash equivalents attributable to continuing operations as compared to $9.8 million at December 31, 2022. Additionally, we had working capital attributable to continuing operations of $124.4 million at March 31, 2023, an increase of $123.4 million from working capital of $1.0 million at December 31, 2022. The net increase in working capital is primarily due to net borrowings on our line of credit.

Cash Flows from Continuing Operations

Cash (used in) provided from operating, investing and financing activities from continuing operations is summarized as follows (in thousands):

	Three Months Ended March 31,	
	2023	**2022**
Operating activities	$ (100,644)	$ (89,931)
Investing activities	(11,350)	(26,273)
Financing activities	108,567	(256,457)

Operating Activities from Continuing Operations

During the three months ended March 31, 2023, our net cash used in operating activities for continuing operations was $100.6 million, compared to $89.9 million for the same period in 2022. The net increase in cash used of $11.0 million was primarily due to decreases in cash outflow from income taxes, prepaid expenses and other current assets and other liabilities, partially offset by increases in cash flow from accounts receivable and higher earnings.

During the three months ended March 31, 2023, cash flow from accounts receivable for continuing operations increased by $21.3 million, as compared to a decrease of $20.2 million for the same period in 2022. The increase in cash flow from accounts receivable for the three months ended March 31, 2023 as compared to the prior year period was primarily due to improved cash collections at existing units.

Days sales outstanding ("DSO") is one of the key factors that we use to evaluate the condition of our accounts receivable and the related allowances for contractual adjustments and uncollectibles. DSO reflects the timeliness of cash collections on billed revenue and the level of reserves on outstanding accounts receivable. Our DSO for continuing operations was 51.1 days at March 31, 2023 as compared to 53.1 days at December 31, 2022 and 59.2 days at March 31, 2022. The improvement in our DSO was primarily related to improved cash collections at our existing units.

Investing Activities from Continuing Operations

During the three months ended March 31, 2023, our net cash used in investing activities for continuing operations of $11.4 million consisted primarily of capital expenditures of $7.0 million and net purchases of investments of $2.7 million.

Financing Activities from Continuing Operations

During the three months ended March 31, 2023, our net cash provided by financing activities for continuing operations of $108.6 million primarily consisted of net borrowings on our Revolving Credit Line (as defined below) of $110.0 million.

Liquidity

On February 11, 2022, we issued $400.0 million of 5.375% unsecured senior notes due 2030 (the “2030 Notes”). We used the net proceeds from the issuance of the 2030 Notes, together with $100.0 million drawn under our Revolving Credit Line (as defined below), $250.0 million of Term A Loan and approximately $308.0 million of cash on hand, to redeem (the “Redemption”) the 2027 Notes, which had an outstanding principal balance of $1.0 billion, and to pay costs, fees and expenses associated with the Redemption and the Credit Agreement Amendment (as defined below).

Also in connection with the Redemption, we amended and restated the Credit Agreement (the "Credit Agreement"), and such amendment and restatement (the “Credit Agreement Amendment”), concurrently with the issuance of the 2030 Notes. The Credit Agreement, as amended by the Credit Agreement Amendment (the “Amended Credit Agreement”), among other things, (i) refinanced the prior unsecured revolving credit facility with a $450.0 million unsecured revolving credit facility, including a $37.5 million sub-facility for the issuance of letters of credit (the “Revolving Credit Line”), and a new $250.0 million term A loan facility (“Term A Loan”) and (ii) removed JPMorgan Chase Bank, N.A., as the administrative agent under the Credit Agreement and appointed Bank of America, N.A. as the administrative agent for the lenders under the Amended Credit Agreement.

The Amended Credit Agreement matures on February 11, 2027 and is guaranteed on an unsecured basis by substantially all of our subsidiaries and affiliated professional contractors. At our option, borrowings under the Amended Credit Agreement bear interest at (i) the Alternate Base Rate (defined as the highest of (a) the prime rate as announced by Bank of America, N.A., (b) the Federal Funds Rate plus 0.50% and (c) Term Secured Overnight Financing Rate ("SOFR") for an interest period of one month plus 1.00% with a 1.00% floor) plus an applicable margin rate of 0.50% for the first two fiscal quarters after the date of the Credit Agreement Amendment, and thereafter at an applicable margin rate ranging from 0.125% to 0.750% based on our consolidated net leverage ratio or (ii) Term SOFR rate (calculated as the Secured Overnight Financing Rate published on the applicable Reuters screen page plus a spread adjustment of 0.10%, 0.15% or 0.25% depending on if we select a one-month, three-month or six-month interest period, respectively, for the applicable loan with a 0% floor), plus an applicable margin rate of 1.50% for the first two full fiscal quarters after the date of the Credit Agreement Amendment, and thereafter at an applicable margin rate ranging from 1.125% to 1.750% based on our consolidated net leverage ratio. The Amended Credit Agreement also provides for other customary fees and charges, including an unused commitment fee with respect to the Revolving Credit Line ranging from 0.150% to 0.200% of the unused lending commitments under the Revolving Credit Line, based on our consolidated net leverage ratio.

The Amended Credit Agreement contains customary covenants and restrictions, including covenants that require us to maintain a minimum interest coverage ratio, a maximum consolidated total consolidated net leverage ratio and to comply with laws, and restrictions on the ability to pay dividends, incur indebtedness or liens and make certain other distributions subject to baskets and exceptions, in each case, as specified therein. Failure to comply with these covenants would constitute an event of default under the Amended Credit Agreement, notwithstanding the ability of the company to meet its debt service obligations. The Amended Credit Agreement includes various customary remedies for the lenders following an event of default, including the acceleration of repayment of outstanding amounts under the Amended Credit Agreement. In addition, we may increase the principal amount of the Revolving Credit Line or incur additional term loans under the Amended Credit Agreement in an aggregate principal amount such that on a pro forma basis after giving effect to such increase or additional term loans, we are in compliance with the financial covenants, subject to the satisfaction of specified conditions and additional caps in the event that the Amended Credit Agreement is secured.

At March 31, 2023, we had an outstanding principal balance on the Amended Credit Agreement of $351.5 million, composed of $237.5 million under the Term A Loan and $114.0 million under the Revolving Credit Line. We had $336.0 million available on the Amended Credit Agreement at March 31, 2023.

At March 31, 2023, we had an outstanding principal balance of $400.0 million on the 2030 Notes. Our obligations under the 2030 Notes are guaranteed on an unsecured senior basis by the same subsidiaries and affiliated professional contractors that guarantee our Amended Credit Agreement. Interest on the 2030 Notes accrues at the rate of 5.375% per annum, or $21.5 million, and is payable semi-annually in arrears on February 15 and August 15, beginning on August 15, 2022.

The indenture under which the 2030 Notes are issued, among other things, limits our ability to (1) incur liens and (2) enter into sale and lease-back transactions, and also limits our ability to merge or dispose of all or substantially all of our assets, in all cases, subject to a number of customary exceptions. Although we are not required to make mandatory redemption or sinking fund payments with respect to the 2030 Notes, upon the occurrence of a change in control, we may be required to repurchase the 2030 Notes at a purchase price equal to 101% of the aggregate principal amount of the 2030 Notes repurchased plus accrued and unpaid interest.

At March 31, 2023, we believe we were in compliance, in all material respects, with the financial covenants and other restrictions applicable to us under the Amended Credit Agreement and the 2030 Notes. We believe we will be in compliance with these covenants throughout 2023.

We maintain professional liability insurance policies with third-party insurers, subject to self-insured retention, exclusions and other restrictions. We self-insure our liabilities to pay self-insured retention amounts under our professional liability insurance coverage through a wholly owned captive insurance subsidiary. We record liabilities for self-insured amounts and claims incurred but not reported based on an actuarial valuation using historical loss information, claim emergence patterns and various actuarial assumptions. Our total liability related to professional liability risks at March 31, 2023 was $295.0 million, of which $26.1 million is classified as a current liability within accounts payable and accrued expenses in the Consolidated Balance Sheet. In addition, there is a corresponding insurance receivable of $50.1 million recorded as a component of other assets for certain professional liability claims that are covered by insurance policies.

We anticipate that funds generated from operations, together with our current cash on hand and funds available under our Amended Credit Agreement, will be sufficient to finance our working capital requirements, fund anticipated acquisitions and capital expenditures, fund expenses, if any, related to our transformational and restructuring activities, fund our share repurchase programs and meet our contractual obligations for at least the next 12 months from the date of issuance of this Quarterly Report on Form 10-Q.

Caution Concerning Forward-Looking Statements

Certain information included or incorporated by reference in this Quarterly Report may be deemed to be "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, 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"). Forward-looking statements may include, but are not limited to, statements relating to our objectives, plans and strategies, and all statements, other than statements of historical facts, that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements. These statements are often characterized by terminology such as "believe," "hope," "may," "anticipate," "should," "intend," "plan," "will," "expect," "estimate," "project," "positioned," "strategy" and similar expressions, and are based on assumptions and assessments made by our management in light of their experience and their perception of historical trends, current conditions, expected future developments and other factors they believe to be appropriate. Any forward-looking statements in this Quarterly Report are made as of the date hereof, and we undertake no duty to update or revise any such statements, whether as a result of new information, future events or otherwise. Forward-looking statements are not guarantees of future performance and are subject to risks and uncertainties. Important factors that could cause actual results, developments and business decisions to differ materially from forward-looking statements are described in the 2022 Form 10-K, including the section entitled "Risk Factors."

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We are subject to market risk primarily from exposure to changes in interest rates based on our financing, investing and cash management activities. We intend to manage interest rate risk through the use of a combination of fixed rate and variable rate debt. We borrow under our Amended Credit Agreement at various interest rate options based on the Alternate Base Rate or SOFR rate depending on certain financial ratios. At March 31, 2023, the outstanding principal balance on our Amended Credit Agreement was $351.5 million, composed of $237.5 million under our Term A Loan and $114.0 million under our Revolving Credit Line. Considering the total outstanding balance, a 1% change in interest rates would result in an impact to income before taxes of approximately $3.5 million per year.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to provide reasonable assurance that information required to be disclosed by the Company in reports it files or submits under the Exchange Act is (i) recorded, processed, summarized and reported within the time periods specified in SEC rules and forms and (ii) accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

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. Based upon that evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of March 31, 2023.

Changes in Internal Controls Over Financial Reporting

No changes in our internal control over financial reporting occurred during the three months ended March 31, 2023 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

We expect that audits, inquiries and investigations from government authorities and agencies will occur in the ordinary course of business. Such audits, inquiries and investigations and their ultimate resolutions, individually or in the aggregate, could have a material adverse effect on our business, financial condition, results of operations, cash flows and the trading price of our securities.

In the ordinary course of our business, we become involved in pending and threatened legal actions and proceedings, most of which involve claims of medical malpractice related to medical services provided by our affiliated physicians. Our contracts with hospitals generally require us to indemnify them and their affiliates for losses resulting from the negligence of our affiliated physicians and other clinicians. We may also become subject to other lawsuits, including with payors or other counterparties that could involve large claims and significant defense costs. We believe, based upon a review of pending actions and proceedings, that the outcome of such legal actions and proceedings will not have a material adverse effect on our business, financial condition, results of operations, cash flows or the trading price of our securities. The outcome of such actions and proceedings, however, cannot be predicted with certainty and an unfavorable resolution of one or more of them could have a material adverse effect on our business, financial condition, results of operations, cash flows and the trading price of our securities.

Although we currently maintain liability insurance coverage intended to cover professional liability and certain other claims, we cannot ensure that our insurance coverage will be adequate to cover liabilities arising out of claims asserted against us in the future where the outcomes of such claims are unfavorable to us. With respect to professional liability risk, we self-insure a significant portion of this risk through our wholly owned captive insurance subsidiary. Liabilities in excess of our insurance coverage, including coverage for professional liability and certain other claims, could have a material adverse effect on our business, financial condition, results of operations, cash flows and the trading price of our securities.

Item 1A. Risk Factors

There have been no material changes to the risk factors previously disclosed in our 2022 Form 10-K.

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

During the three months ended March 31, 2023, we withheld 49,307 shares of our common stock to satisfy minimum statutory withholding obligations in connection with the vesting of restricted stock.

Period	Total Number of Shares Repurchased [(a)]	Average Price Paid per Share	Total Number of Shares Purchased as part of the Repurchase Program	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Repurchase Programs [(a)]
January 1 – January 31, 2023	—	$ —	—	(a)
February 1 – February 28, 2023	—	—	—	(a)
March 1 – March 31, 2023	49,307 (b)	15.74	—	(a)
Total	49,307	$ 15.74	—	(a)

(a) We have two active repurchase programs. Our July 2013 program allows us to repurchase shares of our common stock up to an amount sufficient to offset the dilutive impact from the issuance of shares under our equity compensation programs, which is estimated to be approximately 1.1 million shares for 2023. Our August 2018 repurchase program allows us to repurchase up to an additional $500.0 million of shares of our common stock, of which we repurchased $495.3 million as of March 31, 2023.

(b) Shares withheld to satisfy minimum statutory withholding obligations of $0.8 million in connection with the vesting of restricted stock.

The amount and timing of any future repurchases will depend upon several factors, including general economic and market conditions and trading restrictions.

Item 5. Other Information

On April 26, 2023, the Company, through PMG Services, Inc., a subsidiary of the Company, entered into a third amended and restated employment agreement with James D. Swift, M.D., the Company's Chief Executive Officer (the "Swift Agreement"), an amended and restated employment agreement with C. Marc Richards, the Company's Executive Vice President and Chief Financial Officer (the "Richards Agreement"), and a second amended and restated employment agreement with Mary Ann E. Moore, the Company's Executive Vice President, General Counsel and Secretary (the "Moore Agreement" and, together with the Swift Agreement and the Richards Agreement, the "Employment Agreements").

Each of the Employment Agreements has a term of three years, unless sooner terminated, and will automatically renew for successive one-year periods until terminated. Each of the Employment Agreements provides that the respective executive is to receive, among other things and subject to certain exceptions and conditions set forth therein, (i) an annual base salary ($650,000 for Dr. Swift, $500,000 for Mr. Richards and $475,000 for Ms. Moore); (ii) a target annual incentive bonus equal to a percentage of the executive's annual base salary (125% for Dr.

Swift and 100% for each of Mr. Richards and Ms. Moore) based on the performance of the Company and the executive to be determined by the Compensation and Talent Committee of the Board of Directors of the Company; (iii) benefits and perquisites consistent with those provided to other senior executive officers of the Company; and (iv) severance for a termination without "cause" or for "good reason" equal to 24 months of base salary, one and one-half times the greater of the executive's target annual performance bonus or average annual performance bonus for the three prior years, a pro rata bonus for the year of termination, the continuation of certain benefits for specified periods, accelerated vesting of all time-based equity awards and vesting of all performance-based equity awards based upon actual performance.

The foregoing description of the Employment Agreements does not purport to be complete and is qualified in its entirety by reference to the Swift Agreement, the Richards Agreement and the Moore Agreement, copies of which are filed as Exhibits 10.1, 10.2 and 10.3, respectively, to this Quarterly Report on Form 10-Q.

Item 6. Exhibits

Exhibit No.	Description
4.1+	Eighth Supplemental Indenture dated as of March 31, 2023 to the Indenture, dated as of December 8, 2015, by and among Pediatrix Medical Group, Inc. (f/k/a Mednax, Inc.), certain of its subsidiaries and U.S. Bank Trust Company, National Association, as Trustee.
10.1+	Third Amended and Restated Employment Agreement, dated as of April 26, 2023, by and between PMG Services, Inc. and James D. Swift, M.D.
10.2+	Amended and Restated Employment Agreement, dated as of April 26, 2023, by and between PMG Services, Inc. and C. Marc Richards.
10.3+	Second Amended and Restated Employment Agreement, dated as of April 26, 2023, by and between PMG Services, Inc. and Mary Ann E. Moore.
31.1+	Certification of Chief Executive Officer pursuant to Securities Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2+	Certification of Chief Financial Officer pursuant to Securities Exchange Act Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1++	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.1+	Interactive Data File
101.INS+	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH+	XBRL Schema Document.
101.CAL+	XBRL Calculation Linkbase Document.
101.DEF+	XBRL Definition Linkbase Document.
101.LAB+	XBRL Label Linkbase Document.
101.PRE+	XBRL Presentation Linkbase Document.
104+	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).

+ Filed herewith.
++ Furnished 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.

Pediatrix Medical Group, Inc.

Date: May 2, 2023

By: /s/ James D. Swift, M.D.
James D. Swift, M.D.
Chief Executive Officer
(Principal Executive Officer)

Date: May 2, 2023

By: /s/ C. Marc Richards
C. Marc Richards
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

PEDIATRIX MEDICAL GROUP, INC.

TO

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,

as Trustee

GUARANTEED TO THE EXTENT SET FORTH HEREIN BY THE GUARANTORS NAMED HEREIN

EIGHTH SUPPLEMENTAL INDENTURE

Dated as of March 31, 2023

to the

INDENTURE

Dated as of December 8, 2015

GUARANTEES OF

5.375% SENIOR NOTES DUE 2030

EIGHTH SUPPLEMENTAL INDENTURE

5.375% SENIOR NOTES DUE 2030

THIS EIGHTH SUPPLEMENTAL INDENTURE, dated as of March 31, 2023 (this "**Eighth Supplemental Indenture**"), by and among Pediatrix Medical Group, Inc.. (f/k/a Mednax, Inc.), a Florida Corporation (the "**Company**"), the guarantors listed on Schedule A hereto (collectively, the "**Guarantors**" and each, a "**Guarantor**"), and U.S. Bank Trust Company, National Association, a national banking association (successor in interest to U.S. Bank National Association), as trustee hereunder (the "**Trustee**").

RECITALS OF THE COMPANY:

WHEREAS, the Company and the Trustee have heretofore entered into an Indenture dated as of December 8, 2015 (the "**Base Indenture**"), as supplemented by the Seventh Supplemental Indenture, dated February 11, 2022 (the "**Seventh Supplemental Indenture**" and, together with the Base Indenture, the "**Indenture**") providing for the issuance by the Company of $400,000,000 aggregate principal amount of its 5.375% Senior Notes due 2030 (together with the Guarantees thereof, the "**Notes**");

WHEREAS, Section 4.04 of the Seventh Supplemental Indenture provides that if the Company or any of its Subsidiaries acquires or creates another Subsidiary after the Issue Date that provides a guarantee of the Company's obligations under any Debt Facility (including the Credit Agreement (hereinafter defined)) with an aggregate principal or committed amount of $250 million or more, then, within 10 Business Days after such Subsidiary provides such guarantee, such newly acquired or created Subsidiary shall execute a supplemental indenture pursuant to which it will unconditionally Guarantee, on a joint and several basis, payment of principal of, premium, if any, and interest in respect of the Notes on a senior unsecured basis on the same terms and conditions as those set forth in the Seventh Supplemental Indenture;

WHEREAS, each of the Guarantors is a newly acquired or created Subsidiary of the Company and has provided a guarantee of the Company's obligations under that certain Credit Agreement, dated as of October 30, 2017, as amended, by and among the Company, the guarantors party thereto, Bank of America, N.A., in its capacity as administrative agent and the lenders party thereto (the "**Credit Agreement**");

WHEREAS, Section 6.01 of the Seventh Supplemental Indenture provides that the Company, the Guarantors, if applicable, and the Trustee may modify and amend the Indenture, the Notes or the Guarantees of the Notes without the consent of any Holder to allow any Guarantor to execute a supplemental indenture and/or a Guarantee of the Notes;

WHEREAS, the Board of Directors of the Company and the governing bodies of each of the Guarantors have duly authorized the execution and delivery of this Eighth Supplemental Indenture; and

WHEREAS, all acts and things necessary to make this Eighth Supplemental Indenture a valid agreement of each of the Company and the Guarantors according to its terms have been done and performed.

NOW THEREFORE, EIGHTH SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and of the covenants contained herein, in the Base Indenture, the Seventh Supplemental Indenture and this Eighth Supplemental Indenture, the Company, the Guarantors and the Trustee covenant and agree, for the equal and proportionate benefit of all Holders of the Notes issued prior to or after the date of this Eighth Supplemental Indenture, as follows:

ARTICLE I

RELATION TO BASE INDENTURE; DEFINITIONS

Section 1.01 Relation to Base Indenture. The changes, modifications and supplements to the Base Indenture effected by this Eighth Supplemental Indenture shall be applicable only with respect to, and shall only govern the terms of, the Notes, which may be issued from time to time, and shall not apply to any other Securities that may be issued under the Base Indenture unless a supplemental indenture with respect to such other Securities specifically incorporates such changes, modifications and supplements. The provisions of this Eighth Supplemental Indenture shall supersede any corresponding or conflicting provisions and definitions in the Base Indenture.

Section 1.02 Definitions. For all purposes of this Eighth Supplemental Indenture, except as otherwise expressly provided for or unless the context otherwise requires:

(a) Capitalized terms used but not defined herein shall have the respective meanings assigned to them in the Base Indenture and the Seventh Supplemental Indenture;

(b) Terms defined in more than one of the Base Indenture and the Seventh Supplemental Indenture shall have the meanings assigned to them, in order of priority, the Seventh Supplemental Indenture and the Base Indenture;

(c) Terms defined herein and in any of the Base Indenture or the Seventh Supplemental Indenture shall have the meanings assigned to them herein;

(d) All references herein to Articles and Sections, unless otherwise specified, refer to the corresponding Articles and Sections of this Eighth Supplemental Indenture; and

(e) All other terms used in this Eighth Supplemental Indenture, which are defined in the Trust Indenture Act or which are by reference therein defined in the Securities Act (except as herein otherwise expressly provided or unless the context otherwise requires) shall have the meanings assigned to such terms in said Trust Indenture Act and in said Securities Act as in force at the date of the execution of this Eighth Supplemental Indenture. The words “herein,” “hereof,” “hereunder,” and words of similar import refer to this Eighth Supplemental Indenture as a whole and not to any particular Article, Section or other subdivision. The terms defined in this Article include the plural as well as the singular.

ARTICLE II

GUARANTEES

Section 2.01 Guarantee.

(a) Subject to this Article II, each of the Guarantors hereby, jointly and severally, unconditionally guarantees on an unsecured, unsubordinated basis, to each Holder of a Note, authenticated and delivered by the Trustee, and to the Trustee and its successors and assigns, irrespective of the validity and enforceability of this Eighth Supplemental Indenture, the Seventh Supplemental Indenture or the Base Indenture, the Notes or the obligations of the Company hereunder or thereunder, that:

(i) the principal of, premium, if any, and interest on, the Notes will be promptly paid in full when due, whether at maturity, by acceleration or otherwise, and interest on the overdue principal and interest on the Notes, if any, if lawful, and all other obligations of the Company to the Holders or the Trustee hereunder or thereunder will be promptly paid in full or performed, all in accordance with the terms hereof and thereof; and

(ii) in case of any extension of time of payment or renewal of any Notes or any of such other obligations, that same will be promptly paid in full when due or performed in accordance with the terms of the extension or renewal, whether at Stated Maturity, by acceleration or otherwise.

Failing payment when due of any amount so guaranteed or any performance so guaranteed for any reason whatsoever, the Guarantors shall be jointly and severally obligated to pay the same immediately. Each Guarantor agrees that this is a guarantee of payment and not a guarantee of collection.

(b) The Guarantors hereby agree that their obligations hereunder are unconditional, irrespective of the validity, regularity or enforceability of this Eighth Supplemental Indenture, the Seventh Supplemental Indenture, or the Base Indenture, the Notes, the absence of any action to enforce the same, any waiver or consent by any Holder of the Notes with respect to any provisions hereof or thereof, the recovery of any judgment against the Company, any action to enforce the same or any other circumstance which might otherwise constitute a legal or equitable discharge or defense of such Guarantor. Each Guarantor hereby waives diligence, presentment, demand of payment, filing of claims with a court in the event of bankruptcy or insolvency of the Company, any right to require a proceeding first against the Company, protest, notice and all demands whatsoever and covenant that this Guarantee will not be discharged except by complete performance of the obligations contained in the Notes and the Indenture.

(c) If any Holder or the Trustee is required by any court or otherwise to return to the Company, the Guarantors or any custodian, trustee, liquidator or other similar official acting in relation to either the Company or the Guarantors, any amount paid either to the Trustee or such Holder, this Guarantee, to the extent theretofore discharged, shall be reinstated in full force and effect.

(d) Each Guarantor agrees that it shall not be entitled to any right of subrogation in relation to the Holders in respect of any obligations guaranteed hereby until payment in full of all obligations under the Notes guaranteed hereby. Each Guarantor further agrees that, as between the Guarantors, on the one hand, and the Holders and the Trustee, on the other hand, (1) the maturity of the obligations guaranteed hereby may be accelerated as provided in Article V of the Seventh Supplemental Indenture for the purposes of this Guarantee, notwithstanding any stay, injunction or other prohibition preventing such acceleration in respect of the obligations guaranteed hereby, and (2) in the event of any declaration of acceleration of such obligations as provided in Article V of the Seventh Supplemental Indenture, such obligations (whether or not due and payable) will forthwith become due and payable by the Guarantors for purposes of this Guarantee. The Guarantors will have the right to seek contribution from any other guarantor of the Notes, or the Company, as the case may be, so long as the exercise of such right does not impair the rights of the Holders under this Guarantee.

Section 2.02Limitation on Guarantors' Liability. Each Guarantor, and by its acceptance of the Notes, each Holder, hereby confirms that it is the intention of all such parties that the Guarantee of such Guarantor of the Notes not constitute a fraudulent transfer, fraudulent conveyance or fraudulent obligation for purposes of Bankruptcy Law, the Uniform Fraudulent Conveyance Act, the Uniform Fraudulent Transfer Act or any similar federal or state law to the extent applicable to any Guarantee of the Notes. To effectuate the foregoing intention, the Trustee, the Holders and the Guarantors hereby irrevocably agree that the obligations of such Guarantor shall be limited to the maximum amount that shall, after giving effect to such maximum amount and all other contingent and fixed liabilities of such Guarantor that are relevant under such laws, and after giving effect to any collections from, rights to receive contributions from or payments made by or on behalf of any other guarantor of the Notes in respect of the obligations of such other guarantors of the Notes that are relevant under such laws, result in the obligations of such guarantor of the Notes under its Guarantee of the Notes not constituting a fraudulent transfer, fraudulent conveyance or fraudulent obligation.

Section 2.03Execution and Delivery of Guarantees.

(a) To evidence its Guarantee as set forth in Section 2.01 hereof, each Guarantor hereby agrees that this Eighth Supplemental Indenture shall be executed on behalf of such Guarantor by one of its authorized officers or attorneys-in-fact.

(b) Each Guarantor hereby agrees that its Guarantee set forth in Section 2.01 hereof shall remain in full force and effect notwithstanding the absence of the endorsement of any notation of such Guarantee.

Section 2.04Contribution. Each Guarantor that makes a payment or distribution under its Guarantee of the Notes shall be entitled to contribution from any other guarantor of the Notes or the Company, as the case may be.

Section 2.05Releases.

(a) The Guarantee of the Notes by a Guarantor will be automatically and unconditionally released, and any Person acquiring assets (including by way of merger or

consolidation) or Capital Stock of a Guarantor shall not be required to assume the obligations of any such Guarantor:

(1) in connection with any sale, exchange, transfer, conveyance or other disposition of (whether by merger, consolidation or the sale of) a majority of the Capital Stock of such Guarantor (or such lesser portion as is sufficient for such Guarantor to cease to be a Subsidiary of the Company) or the sale of all or substantially all the assets of such Guarantor, to or with and into a Person which is not the Company or another Subsidiary of the Company;

(2) if any Guarantor is dissolved or otherwise no longer obligated to provide a Guarantee of the Notes pursuant to the Indenture;

(3) if such Guarantor's guarantee of any obligations under any Debt Facility of the Company (including the Credit Agreement) with an aggregate principal or committed amount of $250 million or more is fully and unconditionally released, except that such Guarantor shall subsequently be required to become a Guarantor by executing a supplemental indenture and providing the Trustee with an Officers' Certificate and Opinion of Counsel as required by the Indenture at such time as it guarantees any obligations under any Debt Facility of the Company (including the Credit Agreement) with an aggregate principal or committed amount of $250 million or more; or

(4) upon the Company's exercise of its legal defeasance option or covenant defeasance option as described in Section 12.02 or Section 12.03 of the Seventh Supplemental Indenture or if the Company's obligations under the Indenture and the Notes are discharged in accordance with Section 12.01 of the Seventh Supplemental Indenture.

(b) The Trustee shall execute any documents reasonably requested by either the Company or a Guarantor in order to evidence the release of such Guarantor from its obligations under its Guarantee under this Article II, subject to the Trustee's receipt of an Opinion of Counsel and Officers' Certificate stating that all conditions precedent to such release have been met.

ARTICLE III

MISCELLANEOUS PROVISIONS

Section 3.01 Ratification of Indenture. Except as expressly modified or amended hereby, the Indenture continues in full force and effect and is in all respects confirmed, ratified and preserved and the provisions thereof shall be applicable to the Notes and this Eighth Supplemental Indenture.

Section 3.02 Provisions Binding on Company's Successors. All the covenants, stipulations, promises and agreements of the Company contained in this Eighth Supplemental Indenture shall bind its successors and assigns whether so expressed or not.

Section 3.03 Official Acts by Successor Corporation. Any act or proceeding by any provision of this Eighth Supplemental Indenture authorized or required to be done or performed by any board, committee or officer of the Company shall and may be done and performed with

like force and effect by the like board, committee or officer of any corporation or entity that shall at the time be the lawful sole successor of the Company.

Section 3.04Addresses for Notices, Etc. Any notice or demand which by any provision of this Eighth Supplemental Indenture is required or permitted to be given or served by the Trustee or by the Noteholders on the Company or the Guarantors shall be deemed to have been sufficiently given or made, for all purposes if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed (until another address is filed by the Company with the Trustee) to the Company at 1301 Concord Terrace, Sunrise, Florida 33323, Attention: General Counsel. Any notice, direction, request or demand hereunder to or upon the Trustee shall be deemed to have been sufficiently given or made, for all purposes, if given or served by being deposited postage prepaid by registered or certified mail in a post office letter box addressed to U.S. Bank Trust Company, National Association, Corporate Trust Department at 2 Concourse Parkway, Suite 800, Atlanta, Georgia 30328-5588, Attention: Mark C. Hallam.

The Trustee, by notice to the Company, may designate additional or different addresses for subsequent notices or communications.

Any notice or communication mailed to a Noteholder shall be mailed to him by first class mail, postage prepaid, at his address as it appears on the Security Register and shall be sufficiently given to him if so mailed within the time prescribed.

Failure to mail a notice or communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders. If a notice or communication is mailed in the manner provided above, it is duly given, whether or not the addressee receives it.

Section 3.05Governing Law. THIS EIGTH SUPPLEMENTAL INDENTURE SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK WITHOUT REGARD TO CONFLICT OF LAWS PRINCIPLES OF SUCH STATE OTHER THAN NEW YORK GENERAL OBLIGATIONS LAW SECTION 5-1401. THIS EIGHTH SUPPLEMENTAL INDENTURE IS SUBJECT TO THE PROVISIONS OF THE TIA THAT ARE REQUIRED TO BE A PART OF THIS EIGHTH SUPPLEMENTAL INDENTURE AND SHALL, TO THE EXTENT APPLICABLE, BE GOVERNED BY SUCH PROVISIONS.

Section 3.06Benefits of Indenture. Nothing in the Indenture or in the Notes, expressed or implied, shall give to any person, other than the parties hereto, any Paying Agent, any Authenticating Agent, any Security Registrar and their successors hereunder, the Noteholders, any benefit or any legal or equitable right, remedy or claim under the Indenture.

Section 3.07Headings, Etc. The titles and headings of the articles and sections of this Eighth Supplemental Indenture have been inserted for convenience of reference only, are not to be considered a part hereof, and shall in no way modify or restrict any of the terms or provisions hereof.

Section 3.08Counterparts. This Eighth Supplemental Indenture may be executed and delivered in any number of counterparts, each of which when so executed and delivered shall be

deemed to be an original, and all such counterparts shall together constitute but one and the same instrument.

Section 3.09 Trustee. The Trustee makes no representations as to the validity or sufficiency of this Eighth Supplemental Indenture. The statements and recitals herein are deemed to be those of the Company and not of the Trustee.

Section 3.10 Further Instruments and Acts. Upon request of the Trustee, the Company will execute and deliver such further instruments and do such further acts as may be reasonably necessary or proper to carry out more effectively the purposes of this Eighth Supplemental Indenture.

Section 3.11 Waiver of Jury Trial. EACH OF THE COMPANY, THE GUARANTORS AND THE TRUSTEE HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO THE INDENTURE, THE NOTES OR THE TRANSACTION CONTEMPLATED HEREBY.

[Remainder of page left intentionally blank]

IN WITNESS WHEREOF, the parties hereto have caused this Eighth Supplemental Indenture to be duly executed by their respective officers hereunto duly authorized, all as of the day and year first above written.

COMPANY:

PEDIATRIX MEDICAL GROUP, INC.

By: /s/ Mary Ann E. Moore
Name: Mary Ann E. Moore
Title: Executive Vice President, General Counsel and Secretary

TRUSTEE:

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,

By: /s/ Mark C. Hallam
Name: Mark C. Hallam
Title: Assistant Vice President

GUARANTORS:

PEDIATRIX MEDICAL GROUP AMBULATORY SERVICES OF TN, PLLC
PEDIATRIX MEDICAL GROUP OF INDIANA, P.C.
PEDIATRIX MEDICAL GROUP OF WISCONSIN, S.C.
PEDIATRIX PRIMARY CARE OF COLORADO, PLLC
PEDIATRIX PRIMARY CARE OF FLORIDA, LLC
PEDIATRIX PRIMARY CARE OF GEORGIA, LLC
PEDIATRIX PRIMARY CARE OF TEXAS, PLLC
PEDIATRIX URGENT CARE OF COLORADO, PLLC
PEDIATRIX URGENT CARE OF GEORGIA, LLC
ZIMMERMAN PRIMARY CARE, PLLC
ZIMMERMAN URGENT CARE, PLLC

By: /s/ Mary Ann E. Moore
Name: Mary Ann E. Moore
Attorney-in-Fact of each of the foregoing

Schedule A

Guarantors

1. Pediatrix Medical Group Ambulatory Services of TN, PLLC, a Tennessee professional limited liability company
2. Pediatrix Medical Group of Indiana, P.C., an Indiana professional corporation
3. Pediatrix Medical Group of Wisconsin, S.C., a Wisconsin service corporation
4. Pediatrix Primary Care of Colorado, PLLC, a Colorado professional limited liability company
5. Pediatrix Primary Care of Florida, LLC, a Florida limited liability company
6. Pediatrix Primary Care of Georgia, LLC, a Georgia limited liability company
7. Pediatrix Primary Care of Texas, PLLC, a Texas professional limited liability company
8. Pediatrix Urgent Care of Colorado, PLLC, a Colorado professional limited liability company
9. Pediatrix Urgent Care of Georgia, LLC, a Georgia limited liability company
10. Zimmerman Primary Care, PLLC, a Nevada professional limited liability company
11. Zimmerman Urgent Care, PLLC, a Nevada professional limited liability company

THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS THIRD AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into by and between **PMG SERVICES, INC.** (f/k/a Mednax Services, Inc.), a Florida corporation ("Employer"), and **JAMES D. SWIFT, M.D.** ("Employee") on April 26, 2023 (the "Effective Date").

RECITALS

WHEREAS, Employer is presently engaged in "Employer's Business" as defined on Exhibit A hereto;

WHEREAS, Employer desires to continue employing Employee and benefit from Employee's contributions to Employer; and

WHEREAS, Employer and Employee previously entered in a Second Amended and Restated Employment Agreement dated August 1, 2022, which will be superseded in its entirety upon the execution of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and premises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Employer and Employee hereby agree as follows:

1. Employment.

1.1 *Employment and Term*. Employer hereby agrees to employ Employee and Employee hereby agrees to serve Employer on the terms and conditions set forth herein for an "Initial Term" commencing as of the Effective Date and continuing for a period of three (3) years, unless sooner terminated as hereinafter set forth. Thereafter, the employment of Employee hereunder shall automatically renew for successive one (1) year periods until terminated in accordance herewith. The Initial Term and any automatic renewals shall be referred to as the "Employment Period."

1.2 *Duties of Employee*. As of the Effective Date and thereafter during the remaining Employment Period, Employee shall serve as Chief Executive Officer of Employer and Pediatrix Medical Group, Inc., a Florida corporation and the parent corporation of Employer ("Pediatrix"), and perform such duties as are customary to the position Employee holds or as may be assigned to Employee from time to time by the Board of Directors of Pediatrix (the "Board") including, but not limited to, also serving as an officer and/or director, or equivalent, of subsidiaries and/or affiliates of Pediatrix; *provided,* that such duties as assigned shall be customary to Employee's role as an executive officer of Employer and Pediatrix. Employee's employment shall be full-time and, as such, Employee agrees to devote substantially all of Employee's attention and professional time to the business and affairs of Employer and Pediatrix. Employee shall perform Employee's duties honestly, diligently, competently, in good faith and in the best interest of Employer and Pediatrix. During the Employment Period, Employee agrees that Employee will not, without the prior written consent of Employer (which consent shall not be unreasonably withheld), serve as a director on a corporate board of directors or in any other similar capacity for any institution other than Employer and Pediatrix, and their respective subsidiaries and affiliates

in accordance with this Section 1.2. During the Employment Period, it shall not be a violation of this Agreement to (i) serve on civic or charitable boards or committees, or (ii) deliver lectures, fulfill speaking engagements or teach at educational institutions, so long as such activities have been approved by Employee's Supervisor and do not interfere with the performance of Employee's responsibilities as an employee of Employer in accordance with this Agreement, including the restrictions of Section 8 hereof.

1.3 *Place of Performance*. Employee shall be based at Employer's offices located in Sunrise, Florida, except for required travel relating to Employer's Business.

2. Base Salary and Performance Bonus.

2.1 *Base Salary*. Employer shall pay Employee during the Employment Period an annual salary of Six Hundred Fifty Thousand Dollars ($650,000) (the "Base Salary"), payable in accordance with Employer's normal business practices for senior executives (including tax withholding), but in no event less frequently than monthly. Employee's Base Salary shall be reviewed at least annually by the Compensation and Talent Committee of the Board (the "Compensation and Talent Committee") and may be increased in its discretion. After any such increase in Base Salary, the term "Base Salary" shall refer to the increased amount.

2.2 *Performance Bonus*. Employee shall be eligible to receive a cash bonus (the "Performance Bonus") for each year (or prorated with respect to any partial years of employment) during the Employment Period, provided that, except as otherwise provided herein, Employee has remained employed by Employer as of the end of the applicable year (or as of the end of the Employment Period for the final calendar year of the Employment Period). Employee's target bonus opportunity for any particular year ("Target Bonus") shall be one hundred twenty-five percent (125%) of Base Salary. The amount of bonus payable to Employee for any particular year will be determined by the Compensation and Talent Committee, in its sole discretion, taking into account the performance of Employer and Employee for that particular year (or portion thereof). All such bonuses shall be paid no later than March 15th of the calendar year immediately following the calendar year in which it is earned.

3. Benefits.

3.1 *Expense Reimbursement*. Employer shall promptly reimburse Employee for all out-of-pocket expenses reasonably incurred by Employee during the Employment Period on behalf of or in connection with Employer's Business pursuant to the reimbursement standards and guidelines of Employer in effect from time to time, including reimbursement for appropriate professional organizations. Employee shall account for such expenses and submit reasonable supporting documentation in accordance with Employer's policies in effect from time to time.

3.2 *Employee Benefits*. During the Employment Period, Employee shall be entitled to participate in such health, welfare, disability, retirement savings and other fringe benefit plans and programs (subject to the terms and conditions of such plans and programs) as may be provided from time to time to employees of Employer and to the extent that such plans and programs are applicable to other similarly situated employees of Employer.

3.3 *Leave Time*. During the Employment Period, Employee shall be entitled to paid vacation and leave days each calendar year in accordance with the leave policies established by Employer from time to time. Any leave time not used during each fiscal year of Employer may be carried over into the next year to the extent permitted by Employer policy.

3.4 *Equity Plans.* During the Employment Period, the Compensation and Talent Committee shall consider granting to the Employee on an annual basis following the Effective Date, and at the same time as other executive officers of Employer, awards (each an "Equity Award") pursuant to Pediatrix's Amended and Restated 2008 Incentive Compensation Plan, as amended (the "2008 Plan"), or any other similar plan adopted by Pediatrix (together with the 2008 Plan, each an "Equity Plan"), with a grant value determined by the Compensation and Talent Committee in the same manner as for other executive officers of Employer. Every Equity Award made to Employee shall be subject to the terms and conditions of this Agreement and the terms of the applicable Equity Plan and shall be made subject to an award agreement that is consistent with terms applicable to other executive officers of Employer. Notwithstanding any contrary provision in this Agreement or any Equity Plan then maintained by Pediatrix, if Employee remains continuously employed with Employer through the date of a Change in Control (as defined in the Equity Plan pursuant to which the Equity Award is issued, provided that such event constitutes a "change in the ownership or effective control of the corporation, or in the ownership of a substantial portion of the assets of the corporation" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), as necessary to avoid penalties under Section 409A of the Code that are applicable to an Equity Award), then upon such Change in Control (i) all time-based Equity Awards granted to Employee by Pediatrix shall immediately become fully vested, non-forfeitable and, if applicable, exercisable and (ii) all performance-based Equity Awards, if any, for which the applicable performance condition has been met at the time of such Change in Control shall immediately become fully vested, non-forfeitable and, if applicable, exercisable. For purposes of clarification, except as otherwise provided in an applicable award agreement, the vesting of any performance-based Equity Awards for which the performance condition has not been met at the time of such Change in Control shall not be accelerated or otherwise modified pursuant to this Section 3.4 but such Equity Awards may nonetheless be accelerated or otherwise modified as determined by the Compensation and Talent Committee of Pediatrix under the terms of the Equity Plan.

4. Termination; Compensation and Benefits Upon Termination.

4.1 *Termination for Cause*. Employer may terminate Employee's employment under this Agreement for Cause (as defined below). The termination date for a termination of Employee's employment under this Agreement pursuant to this Section 4.1 shall be the date specified by Employer in a written notice to Employee of finding of Cause. If Employee's employment is terminated for Cause, Employer shall pay (i) Employee's Base Salary through the termination date at the rate in effect at the termination date, (ii) reimbursement for reasonable business expenses incurred prior to the termination date, subject to Employer policy and the provisions of Section 3.1 hereof, and (iii) vacation payout and any other benefits that are vested benefits under applicable Employer benefit plans or that are required by applicable law (the foregoing clauses (i)-(iii), the "Accrued Obligations").

4.2 *Disability*. Employer may terminate Employee's employment under this Agreement upon the Disability (as defined below) of Employee. The termination date for a termination of this Agreement pursuant to this Section 4.2 shall be the date specified by Employer in a notice to Employee. In the event of Employee's Disability, (i) Employee shall continue to receive Employee's Base Salary for ninety (90) days under the Employer's short term disability policy, which may be amended or modified in the Employer's discretion upon written notice to Employee (the "Initial Disability Period"), and (ii) following such Initial Disability Period, if Employee's Disability continues, the Employer may terminate Employee's employment immediately upon written notice. If Employee's employment is terminated in connection with Employee's Disability, in addition to the Accrued Obligations and subject to and conditioned on Employee's compliance with the terms of Section 5 hereof, Employee shall be eligible to receive (A) a bonus with respect to Employer's fiscal year in which the termination date occurs, equal to Employee's minimum Target Bonus for the year of termination, multiplied by the number of days in the fiscal year prior to and including the date of termination and divided by three hundred sixty five (365) (a "Pro-Rated Bonus") payable within thirty (30) days of the termination date; and (B) all time-based Equity Awards granted to Employee by Pediatrix prior to termination of Employee's employment shall immediately become fully vested, non-forfeitable and, if applicable, exercisable, and all performance-based shares awards, if any, shall remain outstanding and shall vest based upon actual performance determined at the end of the applicable performance period (the "Equity Acceleration"), except as set forth in the award agreement.

4.3 *Death*. Employee's employment under this Agreement shall terminate automatically upon the death of Employee, without any requirement of notice by Employer to Employee's estate. The date of Employee's death shall be the termination date for a termination of Employee's employment under this Agreement pursuant to this Section 4.3. Upon Employee's death during the Employment Period, Employer shall pay or provide to the person or entity designated by Employee in a notice filed with Employer or, if no person is designated, to Employee's estate (i) the Accrued Obligations; (ii) a Pro-Rated Bonus; and (iii) the Equity Acceleration, except as set forth in the award agreement.

4.4 *Termination by Employer Without Cause*. Employer may terminate Employee's employment under this Agreement without Cause by giving Employee written notice of such termination. The termination date shall be the date specified by Employer in such notice, which may be up to ninety (90) days from the date of such notice. Upon any termination of Employee's employment without Cause pursuant to this Section 4.4, in addition to the Accrued Obligations and subject to and conditioned on Employee's compliance with the terms of Section 5 hereof, Employee shall be eligible to receive: (i) a Pro-Rated Bonus; (ii) severance payments equivalent to Employee's monthly Base Salary for a period of twenty-four (24) months after the termination date (the "Severance Period"), payable in installments in Employer's normal payroll; (iii) continuation of health, medical, hospitalization and other similar health insurance programs on the same basis as regular, full-time employees of Employer and their eligible dependents during the Severance Period (or, at Employer's option, Employer may provide health insurance to Employee and Employee's eligible dependents through an insurance carrier(s) selected by Employer in lieu of providing the foregoing coverage, provided the coverage afforded by such insurance is substantially comparable to the foregoing coverage, and Employee shall pay the cost of such insurance up to the amount that would have been paid by Employee under the foregoing coverage and Employer shall pay the excess cost, if any); (iv) an amount equal to the greater of

(A) 1.5 times Employee's Average Annual Performance Bonus (as defined below) or (B) 1.5 times Employee's Target Bonus amount, payable within sixty (60) days of the termination date; and (v) the Equity Acceleration.

4.5 *Termination by Employee without Good Reason*. Employee may terminate Employee's employment under this Agreement without Good Reason (as defined below) upon not less than ninety (90) days prior written notice to Employer. Upon receipt of such notice from Employee, Employer may, at its option, accelerate the effective date of Employee's termination of employment at any time in advance of the expiration of such ninety (90) day period (which acceleration shall not constitute Good Reason or a termination by Employer without Cause). The termination date under this Section 4.5 shall be the date specified by Employer, but in no event more than ninety (90) days after Employer's receipt of notice from Employee as contemplated by this Section 4.5. Upon any termination of Employee's employment under this Agreement pursuant to this Section 4.5, Employee shall be entitled to the Accrued Obligations.

4.6 *Termination by Employee for Good Reason.* Employee may terminate Employee's employment hereunder for Good Reason. If Employee desires to terminate Employee's employment under this Agreement pursuant to this Section 4.6, Employee must, within ninety (90) days after the occurrence of events giving rise to the Good Reason, provide Employer with a written notice describing the Good Reason in reasonable detail. If Employer fails to cure the matter cited within thirty (30) days after the date of Employee's notice, then this Agreement shall terminate as of the end of such thirty (30) day cure period, provided, however, that Employer may, at its option, require Employee to terminate employment at any time in advance of the expiration of such thirty (30) day cure period. If Employee's employment under this Agreement is terminated pursuant to this Section 4.6, then Employee shall be eligible to receive the same payments and benefits, subject to the same conditions, for a termination without Cause as set forth in Section 4.4 hereof.

4.7 *Continuation of Benefit Plans*. Following any termination that results in the expiration of Employee's continued benefit plan coverage, Employee and each of Employee's eligible dependents shall be entitled to elect for continuation of coverage provided pursuant to COBRA.

4.8 *Continuing Obligations*. The obligations imposed on Employee with respect to non-competition, non-solicitation, confidentiality, non-disclosure and assignment of rights to inventions or developments in this Agreement or any other agreement executed by the parties shall continue, notwithstanding the termination of the employment relationship between the parties and regardless of the reason for such termination.

5. Conditions to Severance; Certain Definitions.

5.1 *Release.* Employer shall provide Employee with a general release in the form attached as Exhibit B (subject to such modifications as Employer may reasonably request) (the "Release") within seven (7) days after Employee's termination date. Payments or benefits to which Employee may be entitled pursuant to Section 4 hereof (other than the Accrued Obligations) (the "Severance Amounts") shall be conditioned upon (i) Employee executing the Release within twenty one (21) days after receiving it from Employer (or such longer period as may be set forth

in the Release) and the Release becoming irrevocable upon the expiration of seven (7) days following Employee's execution of it, (ii) Employee agreeing to submit to a reasonable exit interview if requested by Employer, and (iii) Employee's compliance with all post-termination obligations to Employer and its subsidiaries and affiliates and surrendering to Employer all proprietary or confidential information and articles belonging to Employer or its subsidiaries or affiliates. Payment of the Severance Amounts shall be suspended during the period (the "Suspension Period") that begins on Employee's termination date and ends on the date ("Suspension Termination Date") that is at least forty-five (45) days after Employee's termination date; provided, however, that this suspension shall not apply, and Employer shall be required to provide, any continued health insurance coverage (or COBRA reimbursement) that would be required under Section 4 hereof during the Suspension Period. If Employee executes the Release and the Release becomes irrevocable by no later than the Suspension Termination Date, then payment of any Severance Amounts that were suspended pursuant to this provision shall be made in the first payroll period that follows the Suspension Termination Date, and any Severance Amounts that are payable after the Suspension Termination Date shall be paid at the times provided in Section 4 hereof.

5.2 *Certain Definitions*. As used in this Agreement:

(a) "Average Annual Performance Bonus" shall mean an amount equal to the average of the percentage of the Performance Bonus target achieved by Employee for the three (3) full calendar years prior to the termination date (or such lesser period as Employee may have been employed by Employer), and calculated based on Employee's Base Salary and Target Bonus in Employee's current position. For illustration purposes, if Employee earned 40%, 100% and 70% of Employee's Target Bonus in each of the three full calendar years prior to termination, and Employee's current Target Bonus was 100% of Base Salary, and Base Salary was $450,000.00, then Employee's Average Annual Performance Bonus would equal $315,000.00. ((40%+ 100% + 70%) / 3 x 100% x $450,000.00 = $315,000.00).

(b) "Cause" shall mean the occurrence of any of: (i) Employee's engagement in (A) willful misconduct resulting in material harm to Pediatrix or Employer, or (B) gross negligence; (ii) Employee's conviction of, or pleading nolo contendere to, a felony or any other crime involving fraud, financial misconduct, or misappropriation of Employer's assets; (iii) Employee's willful and continual failure, after written notice from Employee's Supervisor or the Board to (A) perform substantially Employee's employment duties consistent with Employee's position and authority, or (B) follow, consistent with Employee's position, duties, and authorities, the reasonable lawful mandates of Employee's Supervisor or the Board; (iv) Employee's failure or refusal to comply with a reasonable policy, standard or regulation of Employer in any material respect, including but not limited to Employer's sexual harassment, other unlawful harassment, workplace discrimination or substance abuse policies; or (v) Employee's breach of Section 8.4 hereof resulting in material harm to Pediatrix or Employer. No act or omission shall be deemed willful or grossly negligent for purposes of this definition if taken or omitted to be taken by Employee in a good faith belief that such act or omission to act was in the best interests of Employer or Pediatrix or if done at the express direction of the Board.

(c) Subject to the requirements of applicable law, "Disability" shall mean (i) Employee's inability to perform Employee's duties hereunder, with or without a reasonable

accommodation, as a result of physical or mental illness or injury, and (ii) a determination by an independent qualified physician selected by Employer and acceptable to Employee (which acceptance shall not be unreasonably withheld) that Employee is currently unable to perform such duties and in all reasonable likelihood such inability will continue for a period in excess of an additional ninety (90) or more days in any one hundred twenty (120) day period.

(d) "Good Reason" shall mean: (i) a material decrease in Employee's Base Salary; (ii) a material decrease in Employee's Target Bonus opportunity; (iii) Employee is assigned any position, duties, responsibilities or compensation that is materially inconsistent with the position, duties, or responsibilities of Employee contemplated herein as of the Effective Date, it being understood that these roles and positions are evolving and responsibilities may change over time and, excluding for this purpose any isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of written notice; (iv) Employee experiences a material diminution in Employee's authorities, duties or responsibilities, it being understood that these roles and positions are evolving and responsibilities may change over time and excluding for this purpose any isolated and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of written notice; (v) Employee is required to report to any person other than the Board, or a duly constituted committee thereof, or there is a material diminution in the authority, duties or responsibilities of the senior most executive officer of Pediatrix; (vi) the requirement by Employer that Employee be based in any office or location outside of the metropolitan area where Employee resides or where Employer's headquarters resides as of the Effective Date, except for travel reasonably required in the performance of Employee's duties; or (vii) any other action or inaction that constitutes a material breach of this Agreement by Employer.

6. Successors; Binding Agreement.

6.1 *Successors*. Employer shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) acquiring a majority of Employer's voting common stock or any other successor to all or substantially all of the business and/or assets of Employer to expressly assume and agree to perform this Agreement in the same manner and to the same extent that Employer would be required to perform it if no such succession had taken place and Employee hereby consents to any such assignment. In such event, "Employer" shall mean Employer as previously defined and any successor to its business and/or assets which executes and delivers the agreement provided for in this Section 6 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law. This Section 6.1 shall not limit Employee's ability to terminate this Agreement in the circumstances described in Section 4.6 hereof.

6.2 *Benefit*. This Agreement and all rights of Employee under this Agreement shall inure to the benefit of and be enforceable by Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Employee should die after the termination date and amounts would have been payable to Employee under this Agreement if Employee had continued to live, including under Section 5 hereof, then such amounts shall be paid to Employee's devisee, legatee, or other designee or, if there is no such designee, Employee's estate.

7. Conflicts. Except as otherwise provided in this Agreement, this Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes and revokes any and all prior or existing agreements, written or oral, relating to the subject matter hereof, and this Agreement shall be solely determinative of the subject matter hereof.

8. Restrictive Covenants; Confidential Information; Work Product; Injunctive Relief.

8.1 *No Material Competition*. Employer and Employee acknowledge and agree that a strong relationship and connection exists between Employer and its current and prospective patients, referral sources, and customers as well as the hospitals and healthcare facilities at which it provides professional services. Employer and Employee further acknowledge and agree that the restrictive covenants described in this Section are designed to enforce, and are ancillary to or part of, the promises contained in this Agreement and are reasonably necessary to protect the legitimate interests of Employer in the following: (1) the use and disclosure of the Confidential Information as described in Section 8.4 hereof; (2) the professional development activities described in Section 1.2 hereof; and (3) the goodwill of Employer, as promoted by Employee as provided in Section 1.2 hereof. The foregoing listing is by way of example only and shall not be construed to be an exclusive or exhaustive list of such interests. Employee acknowledges that the restrictive covenants set forth below are of significant value to Employer and were a material inducement to Employer in agreeing to the terms of this Agreement. Employee further acknowledges that the goodwill and other proprietary interest of Employer will suffer irreparable and continuing damage in the event Employee enters into competition with Employer in violation of this Section.

Therefore, Employee agrees that, except with respect to services performed under this Agreement on behalf of Employer, **Employee shall not**, at any time during the Restricted Period (as defined below), for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly participate or engage in or own an interest in, directly or indirectly, any individual proprietorship, partnership, corporation, joint venture, trust or other form of business entity, whether as an individual proprietor, partner, joint venturer, officer, director, member, employee, consultant, independent contractor, stockholder, lender, landlord, finder, agent, broker, trustee, or in any manner whatsoever, if such entity or its affiliates is engaged in, directly or indirectly, "Employer's Business," as defined on Exhibit A hereto. Employee acknowledges that, as of the date hereof, Employee's responsibilities will include matters affecting the businesses of Employer listed on Exhibit A. For purposes of this Section 8, the "Restricted Period" shall mean the Employment Period plus (i) eighteen (18) months in the event this Agreement is terminated pursuant to Section 4.1 hereof, and (ii) twenty-four (24) months in the event the Agreement is terminated for any other reason.

8.2 *No Hire*. Employee further agrees that **Employee shall not**, at any time during the Employment Period and for a period of eighteen (18) months immediately following termination of this Agreement for any reason, for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly employ, or intentionally, knowingly, or willingly permit any company or business directly or indirectly controlled by Employee to (a) employ or otherwise engage (i) any person who is a then current employee or exclusive independent contractor of Employer or one of its affiliates, or (ii) any person

who was an employee or exclusive independent contractor of Employer or one of its affiliates in the prior six (6) month period, or (b) take any action that would reasonably be expected to induce an employee or independent contractor of Employer or one of its affiliates to leave his or her employment or engagement with Employer or one of its affiliates (including without limitation for or on behalf of a subsequent employer of Employee).

8.3 *Non-Solicitation.* Employee further agrees that **Employee shall not**, at any time during the Employment Period and for a period of eighteen (18) months immediately following termination of this Agreement for any reason, for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly solicit or accept business from or take any action that would reasonably be expected to materially interfere with, diminish or impair the valuable relationships that Employer or its affiliates have with (i) hospitals or other health care facilities with which Employer or its affiliates have contracts to render professional services or otherwise have established relationships, (ii) patients, (iii) referral sources, (iv) vendors, (v) any other clients of Employer or its affiliates, or (vi) prospective hospitals, patients, referral sources, vendors or clients whose business Employee was aware that Employer or any affiliate of Employer was in the process of soliciting at the time of Employee's termination (including potential acquisition targets).

8.4 *Confidential Information*. At all times during the term of this Agreement, Employer shall provide Employee with access to "Confidential Information." As used in this Agreement, the term "Confidential Information" means any and all confidential, proprietary or trade secret information, whether disclosed, directly or indirectly, verbally, in writing or by any other means in tangible or intangible form, including that which is conceived or developed by Employee, applicable to or in any way related to: (i) patients with whom Employer has a physician/patient relationship; (ii) the present or future business of Employer; or (iii) the research and development of Employer. Without limiting the generality of the foregoing, Confidential Information includes: (a) the development and operation of Employer's medical practices, including information relating to budgeting, staffing needs, marketing, research, hospital relationships, equipment capabilities, and other information concerning such facilities and operations and specifically including the procedures and business plans developed by Employer for use at the hospitals where Employer conducts its business; (b) contractual arrangements between Employer and insurers or managed care associations or other payors; (c) the databases of Employer; (d) the clinical and research protocols of Employer, including coding guidelines; (e) the referral sources of Employer; (f) other confidential information of Employer that is not generally known to the public that gives Employer the opportunity to obtain an advantage over competitors who do not know or use it, including the names, addresses, telephone numbers or special needs of any of its patients, its patient lists, its marketing methods and related data, lists or other written records used in Employer's business, compensation paid to employees and other terms of employment, accounting ledgers and financial statements, contracts and licenses, business systems, business plan and projections, and computer programs. The parties agree that, as between them, this Confidential Information constitutes important, material, and confidential trade secrets that affect the successful conduct of Employer's business and its goodwill. Employer acknowledges that the Confidential Information specifically enumerated above is special and unique information and is not information that would be considered a part of the general knowledge and skill Employee has or might otherwise obtain.

Notwithstanding the foregoing, Confidential Information shall not include any information that (i) was known by Employee from a third party source before disclosure by or on behalf of Employer, (ii) becomes available to Employee from a source other than Employer that is not, to Employee's knowledge, bound by a duty of confidentiality to Employer, (iii) becomes generally available or known in the industry other than as a result of its disclosure by Employee, or (iv) has been independently developed by Employee and may be disclosed by Employee without breach of this Agreement, provided, in each case, that Employee shall bear the burden of demonstrating that the information falls under one of the above-described exceptions. Pursuant to the Defend Trade Secrets Act of 2016, Employee acknowledges that Employee shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if Employee files a lawsuit for retaliation by Employer for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney and may use the trade secret information in the court proceeding, if Employee (X) files any document containing the trade secret under seal and (Y) does not disclose the trade secret, except pursuant to court order.

Additionally, notwithstanding anything herein to the contrary, nothing in this Agreement or any other agreement between Employer and Employee shall prevent Employee from filing a charge, sharing information and communicating in good faith, without prior notice to Employer, with any federal government agency having jurisdiction over Employer or its operations, and cooperating in any investigation by any such federal government agency.

Unless disclosure is otherwise required by applicable law or stock exchange rules, Employee agrees that the terms of this Agreement shall be deemed Confidential Information for purposes of this Section. Employee shall keep the terms of this Agreement strictly confidential and will not, without the prior written consent of Employer, disclose the details of this Agreement to any third party in any manner whatsoever in whole or in part, with the exception of Employee's representatives (such as tax advisors and attorneys) who need to know such information.

Employee agrees that Employee will not at any time, whether during or subsequent to the term of Employee's employment with Employer, in any fashion, form or manner, unless specifically consented to in writing by Employer, either directly or indirectly, use or divulge, disclose, or communicate to any person, firm or corporation, in any manner whatsoever, any Confidential Information of any kind, nature, or description, subject to applicable law. The parties agree that any breach by Employee of any term of this Section 8.4 resulting in material harm to Pediatrix or Employer is a material breach of this Agreement and shall constitute "Cause" for the termination of Employee's employment hereunder pursuant to Section 4.1 hereof. In the event that Employee is ordered to disclose any Confidential Information, whether in a legal or a regulatory proceeding or otherwise, Employee shall provide Employer with prompt written notice of such request or order so that Employer may seek to prevent disclosure or, if that cannot be achieved, the entry of a protective order or other appropriate protective device or procedure in order to assure, to the extent practicable, compliance with the provisions of this Agreement. In the case of any disclosure required by law, Employee shall disclose only that portion of the

Confidential Information that Employee is ordered to disclose in a legally binding subpoena, demand or similar order issued pursuant to a legal or regulatory proceeding.

All Confidential Information, and all equipment, notebooks, documents, memoranda, reports, files, samples, books, correspondence, lists, other written and graphic records, in any media (including electronic or video) containing Confidential Information or relating to the business of Employer, which Employee shall prepare, use, construct, observe, possess, or control shall be and remain Employer's sole property (collectively "Employer Property"). Upon termination or expiration of this Agreement, or earlier upon Employer's request, Employee shall promptly deliver to Employer all Employer Property, retaining none.

8.5 *Ownership of Work Product.* Employee agrees and acknowledges that (i) all copyrights, patents, trade secrets, trademarks, service marks, or other intellectual property or proprietary rights associated with any ideas, concepts, techniques, inventions, processes, or works of authorship developed or created by Employee during the course of performing work for Employer and any other work product conceived, created, designed, developed or contributed by Employee during the term of this Agreement that relates in any way to Employer's Business (collectively, the "Work Product"), shall belong exclusively to Employer and shall, to the extent possible, be considered a work made for hire within the meaning of Title 17 of the United States Code. To the extent the Work Product may not be considered a work made for hire owned exclusively by Employer, Employee hereby assigns to Employer all right, title, and interest worldwide in and to such Work Product at the time of its creation, without any requirement of further consideration. Upon request of Employer, Employee shall take such further actions and execute such further documents as Employer may deem necessary or desirable to further the purposes of this Agreement, including without limitation separate assignments of all right, title, and interest in and to all rights of copyright and all right, title, and interest in and to any inventions or patents and any reissues or extensions which may be granted therefore, and in and to any improvements, additions to, or modifications thereto, which Employee may acquire by invention or otherwise, the same to be held and enjoyed by Employer for its own use and benefit, and for the use and benefit of Employer's successors and assigns, as fully and as entirely as the same might be held by Employee had this assignment not been made.

8.6 *Clearance Procedure for Proprietary Rights Not Claimed by Employer.* In the event that Employee wishes to create or develop, *other than* on Employer's time or using Employer's resources, anything that may be considered Work Product but to which Employee believes Employee should be entitled to the personal benefit of, Employee agrees to follow the clearance procedure set forth in this Section. Before beginning any such work, Employee agrees to give Employer advance written notice and provide Employer with a sufficiently detailed written description of the work under consideration for Employer to make a determination regarding the work. Unless otherwise agreed in a writing signed by Employer prior to receipt, Employer shall have no obligation of confidentiality with respect to such request or description. Employer will determine in its sole discretion, within thirty (30) days after Employee has fully disclosed such plans to Employer, whether rights in such work will be claimed by Employer. If Employer determines that it does not claim rights in such work, Employer agrees to so notify Employee in writing and Employee may retain ownership of the work to the extent that such work has been expressly disclosed to Employer. If Employer fails to so notify Employee within such thirty (30) day period, then Employer shall be deemed to have agreed that such work is not considered Work

Product for purposes of this Agreement. Employee agrees to submit for further review any significant improvement, modification, or adaptation that could reasonably be related to Employer's Business so that it can be determined whether the improvement, modification, or adaptation relates to the business or interests of Employer. Clearance under this procedure does not relieve Employee of the restrictive covenants set forth in this Section 8.

8.7 *Non-Disparagement.* During the Employment Period and for a period of ten (10) years after the termination of this Agreement, Employee will not, directly or indirectly, as an individual or on behalf of a firm, corporation, partnership or other legal entity, intentionally, knowingly, or willingly make any comment that would reasonably be expected to be materially disparaging or negative to any other person or entity regarding Employer or any of its affiliates, agents, attorneys, employees, officers and directors, Employee's work conditions or circumstances surrounding Employee's separation from Employer or otherwise impugn or criticize the name or reputation of Employer, its affiliates, agents, attorneys, employees, officers or directors, orally or in writing.

8.8 *Review by Employee.* Employee has carefully read and considered the terms and provisions of this Section 8, and having done so, agrees that the restrictions set forth in this Section 8 are fair and reasonably required for the protection of the interests of Employer. In the event that any term or provision set forth in this Section 8 shall be held to be invalid or unenforceable by a court of competent jurisdiction, the parties hereto agree that such invalid or unenforceable term(s) or provision(s) may be severed from this Agreement without, in any manner, affecting the remaining portions hereof. Without limiting other possible remedies available to Employer, Employee agrees that injunctive or other equitable relief will be available to enforce the covenants set forth in this Section 8, such relief to be without the necessity of posting a bond. In the event that, notwithstanding the foregoing, any part of the covenants set forth in this Section 8 shall be held to be invalid, overbroad, or unenforceable by an arbitrator or a court of competent jurisdiction, the parties hereto agree that such invalid, overbroad, or unenforceable provision(s) may be modified or severed from this Agreement without, in any manner, affecting the remaining portions of this Section 8 (all of which shall remain in full force and effect). In the event that any provision of this Section 8 related to time period or areas of restriction shall be declared by an arbitrator or a court of competent jurisdiction to exceed the maximum time period, area or activities such arbitrator or court deems reasonable and enforceable, said time period or areas of restriction shall be deemed modified to the minimum extent necessary to make the geographic or temporal restrictions or activities reasonable and enforceable.

8.9 *Survival; Notice of Breach and Right to Cure.* If Employer reasonably believes that Employee has breached a provision of this Section 8, Employer shall provide prompt written notice thereof to Employee that explains such reasonably believed breach (the "Alleged Breach"). Employer agrees to work in good faith with Employee to provide Employee a reasonable opportunity to promptly cure such Alleged Breach. In the event that Employee, acting in good faith, promptly takes actions that would reasonably be expected to cure the Alleged Breach, including, with respect to a comment made by Employee that Employer reasonably believes is in breach of Section 8.7 hereof, by Employee retracting such comment, then Employee shall be deemed not to be in breach of this Section 8 with respect to the Alleged Breach. Employer and Employee further agree that Employee shall not be deemed to be in breach of any term of Section 8.4 hereof unless such breach results in material harm to Pediatrix or Employer.

The provisions of this Section 8 shall survive the termination of this Agreement and Employee's employment with Employer. In the event of a breach of this Section 8 by Employee, as finally determined pursuant to Section 11 hereof, Employer retains the right to terminate any continuing payments to Employee provided for in Section 4 hereof. In the event of a breach of any provisions of this Section 8 by Employee, as finally determined pursuant to Section 11 hereof, the period for which those provisions would remain in effect shall be extended for a period of time equal to that period beginning when such breach commenced and ending when the activities constituting such breach shall have been finally terminated, in each case as finally determined pursuant to Section 11 hereof. The provisions of this Section 8 are expressly intended to benefit and be enforceable by other affiliated entities of Employer, who are express third party beneficiaries hereof. Employee shall not assist others in engaging in any of the activities described in the foregoing restrictive covenants.

9. Tax Matters

9.1 *Section 409A*

(a) *In General.* The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). For purposes of Section 409A of the Code, the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party. Employer makes no representation or warranty and shall have no liability to Employee or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, Section 409A.

(b) *Six-Month Delay.* Anything in this Agreement to the contrary notwithstanding, if at the time of Employee's separation from service within the meaning of Section 409A of the Code, Employer determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee becomes entitled to under this Agreement on account of Employee's "separation from service" (within the meaning of Section 409A) that would be considered "non-qualified deferred compensation", such payment shall not be payable and such benefit shall not be provided until the date that is within fifteen (15) days after the end of the six-month period beginning on the date of such "separation from service" or, if earlier, within fifteen (15) days after the appointment of the personal representative or executor of Employee's estate following Employee's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(c) *Reimbursements.* All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by Employer or incurred by Employee during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(d) *Separation from Service.* To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon Employee's termination of employment, then such payments or benefits shall be payable only upon Employee's "separation from service" as defined under Section 409A. The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(e) *Later Calendar Year*. To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and not otherwise exempt from the application of Section 409A, then, if the period during which Employee may consider and sign the Release or the period in which the Employer can make a severance payment spans two calendar years, any payment or benefit described in this Agreement will not be made or begin until the later calendar year.

9.2 ***Section 280G***. Notwithstanding any other provision of this Agreement or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by Employer or its affiliates to Employee or for Employee's benefit pursuant to the terms of this Agreement or otherwise (the "Covered Payments") constitute parachute payments (the "Parachute Payments") within the meaning of Section 280G of the Code and, but for this Section 9, would be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then prior to making the Covered Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to Employee of the Covered Payments after payment of the Excise Tax to (ii) the Net Benefit to Employee if the Covered Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the Covered Payments be reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax (that amount, the "Reduced Amount"). "Net Benefit" shall mean the present value of the Covered Payments net of all federal, state, local, foreign income, employment and excise taxes.

(a) Any such reduction shall be made in accordance with Section 409A and the following: (i) the Covered Payments consisting of cash severance benefits that do not constitute nonqualified deferred compensation subject to Section 409A shall be reduced first, in reverse chronological order; (ii) all other Covered Payments consisting of cash payments, and

Covered Payments consisting of accelerated vesting of equity based awards to which Treas. Reg. § 1.280G-1 Q/A-24(c) does not apply, and that in either case do not constitute nonqualified deferred compensation subject to Section 409A, shall be reduced second, in reverse chronological order; (iii) all Covered Payments consisting of cash payments that constitute nonqualified deferred compensation subject to Section 409A shall be reduced third, in reverse chronological order; and (iv) all Covered Payments consisting of accelerated vesting of equity-based awards to which Treas. Reg. § 1.280G-1 Q/A-24(c) applies shall be the last Covered Payments to be reduced.

(b) Any determination required under this Section 9 shall be made in writing in good faith by an independent accounting firm selected by Employer (the "Accountants"). Employer and Employee shall provide the Accountants with such information and documents as the Accountants may reasonably request in order to make a determination under this Section 9. For purposes of making the calculations and determinations required by this Section 9, the Accountants may rely on reasonable, good-faith assumptions and approximations concerning the application of Section 280G and Section 4999 of the Code. The Accountants' determinations shall be final and binding on Employer and Employee. Employer shall be responsible for all fees and expenses incurred by the Accountants in connection with the calculations required by this Section 9.

(c) It is possible that after the determinations and selections made pursuant to this Section 9, Employee will receive Covered Payments that are in the aggregate more than the amount intended or required to be provided after application of this Section 9 ("Overpayment") or less than the amount intended or required to be provided after application of this Section 9 ("Underpayment").

(i) In the event that: (A) the Accountants determine, based upon the assertion of a deficiency by the Internal Revenue Service against either Employer or Employee that the Accountants believe has a high probability of success, that an Overpayment has been made or (B) it is established pursuant to a final determination of a court or an Internal Revenue Service proceeding that has been finally and conclusively resolved that an Overpayment has been made, then Employee shall pay any such Overpayment to Employer together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code) from the date of Employee's receipt of the Overpayment until the date of repayment.

(ii) In the event that: (A) the Accountants, based upon controlling precedent or substantial authority, determine that an Underpayment has occurred or (B) a court of competent jurisdiction determines that an Underpayment has occurred, any such Underpayment will be paid promptly by Employer to or for the benefit of Employee together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code) from the date the amount should have otherwise been paid to Employee until the payment date.

9.3 *Tax Withholding.* All amounts payable under this Agreement shall be subject to applicable income and employment tax withholding.

10.Dispute Resolution; Injunctive Relief. If any controversy or claim arises out of or relating to this Agreement, or any alleged breach hereof, Employee and Employer shall first try to resolve such controversy or claim through mediation using the services of the American Arbitration Association. If any such controversy or claim cannot be resolved by mediation pursuant to the foregoing, Employee and Employer agree that such controversy or claim shall be finally determined by a single arbitrator, jointly selected by Employee and Employer, provided that if Employee and Employer are unable to agree upon a single arbitrator after reasonable efforts, the arbitrator shall be an impartial arbitrator selected by the American Arbitration Association.

Employer shall bear all costs associated with such mediation and, if necessary, arbitration, including but not limited to all costs of the mediator and arbitrator, and shall reimburse Employee on a monthly basis for Employee's reasonable legal and other expenses, including all fees, incurred in connection with any such mediation and, if necessary, arbitration, provided, however, that if Employer ultimately prevails in any arbitration (as determined by the arbitrator), the arbitrator shall have the power to require Employee to reimburse Employer for all or a portion of the advanced legal fees and other expenses as determined by the arbitrator (and, if the arbitrator finds that Employer prevailed on certain claims and Employee prevailed on others, the arbitrator shall have the power to require Employee to reimburse Employer for a portion of the advanced legal fees and other expenses determined by the arbitrator based on those claims on which Employer prevailed). The mediation and, if necessary, arbitration proceedings shall be held in Sunrise, Florida, unless otherwise mutually agreed by the parties, and shall be conducted in accordance with the American Arbitration Association National Rules for the Resolution of Employment Disputes then in effect. Judgment on any award rendered by the arbitrator may be entered and enforced by any court having jurisdiction thereof. Any such mediation and, if necessary, arbitration shall be treated as confidential by all parties thereto, except as otherwise provided by law or as otherwise necessary to enforce any judgment or order issued by the arbitrator.

Notwithstanding anything herein to the contrary, if Employer or Employee shall require immediate injunctive relief, then the party shall be entitled to seek such relief in any court having jurisdiction, and if the party elects to do so, the other party hereby consents to the jurisdiction of the state and federal courts sitting in the State of Florida and to the applicable service of process. Employee and Employer hereby waive and agree not to assert, to the fullest extent permitted by applicable law, any claim that (i) they are not subject to the jurisdiction of such courts, (ii) they are immune from any legal process issued by such courts and (iii) any litigation or other proceeding commenced in such courts is brought in an inconvenient forum. In the event that Employer brings suit against Employee seeking injunctive relief, Employer agrees to advance all of Employee's reasonable legal and other expenses, including all fees, incurred by Employee in connection with such action, provided, however, that if Employer ultimately prevails in seeking injunctive relief, Employee shall reimburse Employer all such advanced legal fees and other expenses.

11.Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its conflict of laws principles to the extent that such principles would require the application of laws other than the laws of the State of Florida.

12.Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when (i) delivered by hand, (ii) delivered by

electronic mail that is confirmed by non-automated means, or (iii) when delivered or delivery is refused if sent by registered or certified U.S. mail, return receipt requested, postage prepaid, or via reputable overnight courier, addressed as follows:

If to Employer:

PMG Services, Inc.
1301 Concord Terrace
Sunrise, FL 33323
Attention: General Counsel
Email: maryann.moore@pediatrix.com

If to Employee:

James D. Swift, M.D.
c/o PMG Services, Inc.
1301 Concord Terrace
Sunrise, FL 33323
Email: james.swift@pediatrix.com

or to such other addresses as either party hereto may from time to time give notice of to the other in the aforesaid manner.

13.Benefits; Binding Effect. This Agreement shall be for the benefit of and binding upon the parties hereto and their respective heirs, personal representatives, legal representatives, successors and, where applicable, assigns. Notwithstanding the foregoing, Employee may not assign the rights or benefits hereunder without the prior written consent of Employer. This Agreement may be assigned by Employer upon notice to Employee.

14.Severability. The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted. If such invalidity is caused by length of time or size of area, or both, the otherwise invalid provision will be considered to be reduced to a period or area, which would cure such invalidity.

15.Waivers. The waiver by either party hereto of a breach or violation of any term or provision of this Agreement shall not operate nor be construed as a waiver of any subsequent breach or violation.

16.Damages. Nothing contained herein shall be construed to prevent Employer or Employee from seeking and recovering from the other damages sustained by either or both of them as a result of a breach of any term or provision of this Agreement.

17.No Third Party Beneficiary. Except as provided in Section 8.9 hereof, nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person (other than the parties hereto and, in the case of Employee, Employee's heirs, personal representative(s) and/or legal representative) any rights or remedies under or by reason of this Agreement. No agreements or representations, oral or otherwise, express or implied, have been made by either party with respect to the subject matter of this Agreement which agreements or

representations are not set forth expressly in this Agreement, and this Agreement supersedes any other employment agreement between Employer and Employee.

The remainder of this page has been left blank intentionally.

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of the Effective Date.

EMPLOYER:

PMG SERVICES, INC.

By: */s/ Mary Ann E. Moore*
Mary Ann E. Moore
Executive Vice President, General Counsel & Secretary

EMPLOYEE:

By: */s/ James D. Swift, M.D.*
James D. Swift, M.D.

PEDIATRIX MEDICAL GROUP, INC.

By: */s/ Shirley A. Weis*
Shirley A. Weis
Chair, Compensation and Talent Committee

EXHIBIT A

BUSINESS OF EMPLOYER

As of the date hereof, Employer, directly or through its affiliates, provides professional medical services and all aspects of practice management services in medical practice areas that include, but are not limited to, the following (collectively referred to herein as "**Employer's Business**"):

(1) Neonatology, including hospital well baby care;
(2) Maternal-Fetal Medicine, including general obstetrics services;
(3) Pediatric Cardiology;
(4) Pediatric Intensive Care, including Pediatric Hospitalist Care;
(5) Newborn hearing screening services;
(6) Pediatric Surgery;
(7) Pediatric Emergency Medicine; and
(8) Pediatric Primary and/or Urgent Care Centers.

References to Employer's Business in this Agreement shall include such other medical service lines, practice management services and other businesses in which Employer is engaged during the Employment Period; *provided,* that to be considered a part of Employer's Business, Employer must have engaged in such other service line, practice management service or other business at least six (6) months prior to the termination date of this Agreement. For purposes of this Exhibit A, businesses of Employer shall include the businesses conducted by Employer's subsidiaries, entities under common control and affiliates as defined under Rule 144 of the Securities Act of 1933, as amended. Such affiliates shall include the professional corporations and associations whose operating results are consolidated with Employer for financial reporting purposes.

Notwithstanding the foregoing, Employer acknowledges and agrees to the following exceptions and clarifications regarding the scope of Employer's Business.

A. *Hospital Services.* Employer and Employee acknowledge that, as of the date hereof, Employer does not currently operate hospitals, hospital systems or universities. Nevertheless, the businesses of hospitals, hospital systems and universities would be the same as Employer's Business where such hospitals, hospital systems or universities provide or contract with others to provide some or all of the medical services included in Employer's Business. Therefore, the parties desire to clarify their intent with respect to the limitations on Employee's ability to work for or contract with others to provide services for a hospital, hospital system or university during the Employment Period and during the Restricted Period. Section 8.1 shall not be deemed to restrict Employee's ability to work for a hospital, hospital system or university if the hospital, hospital system or university does not provide any of the medical services included in Employer's Business. Furthermore, even if a hospital, hospital system or university provides medical services that are included in Employer's Business, Employee may work for such hospital, hospital system or university if Employee has no direct supervisory responsibility for or involvement in the hospital's, hospital system's or university's provision of medical services that are Employer's Business. For the avoidance of doubt, Employer and Employee agree that if Employee becomes

the Chief Operating Officer, Chief Legal Officer, Chief Compliance Officer, General Counsel or Chief Executive Officer of a hospital system or health system, or other executive officer of similar level to the foregoing, that Employee shall not be in breach of the provisions of this Agreement. Finally, Employer agrees that Employee may hold direct supervisory responsibility for or be involved in the medical services of a hospital, hospital system or university that are included in Employer's Business so long as such hospital, hospital system or university is located at least ten (10) miles from a medical practice owned or operated by Employer or its affiliate. Subject to paragraph B below, the provisions of this paragraph shall not apply to the extent that, after the date hereof, Employer enters into the business of operating a hospital or hospital system.

B. *De Minimus Exception.* Employer agrees that a medical service line (other than those listed in items (1) through (8) above), practice management service or other business in which Employer is engaged shall not be considered to be a part of Employer's Business if such medical service line, practice management service or other business constitutes less than three percent (3%) of Employer's annual revenues.

C. *Divested Lines of Service.* Employer agrees that any medical service line (including those listed in items (1) through (8) above), practice management, or other business in which Employer is engaged that is divested pursuant to a disposition, sale of assets or equity, or otherwise after the Effective Date shall not be considered to be a part of Employer's Business effective as of the effective date of such divestiture.

D. *Certain Ownership Interests.* It shall not be deemed to be a violation of Section 8.1 for Employee to: (i) own, directly or indirectly, one percent (1%) or less of a publicly-traded entity that has a market capitalization of $1 billion or more; (ii) own, directly or indirectly, five percent (5%) or less of a publicly-traded entity that has a market capitalization of less than $1 billion; or (iii) own, directly or indirectly, less than ten percent (10%) of a privately-held business or company, if Employee is at all times a passive investor with no board representation, management authority or other special rights to control operations of such business or company.

EXHIBIT B

FORM OF RELEASE

GENERAL RELEASE OF CLAIMS

1. James D. Swift, M.D. ("Employee"), for himself or herself and his or her family, heirs, executors, administrators, legal representatives and their respective successors and assigns, in exchange for the consideration received pursuant to Section 4.[●] of that certain Third Amended and Restated Employment Agreement, dated as of April ____, 2023, by and between Employee and Employer, to which this release is attached as Exhibit B (the "Employment Agreement"), does hereby release and forever discharge PMG Services, Inc. ("Employer"), its subsidiaries, affiliated companies, successors and assigns, and its current or former directors, officers, employees, shareholders or agents in such capacities (collectively with Employer, the "Released Parties") from any and all actions, causes of action, suits, controversies, claims and demands whatsoever, for or by reason of any matter, cause or thing whatsoever, whether known or unknown including, but not limited to, all claims under any applicable laws arising under or in connection with Employee's employment or termination thereof, whether for discrimination, harassment, retaliation, tort, breach of express or implied employment contract, wrongful discharge, intentional infliction of emotional distress, or defamation or injuries incurred on the job or incurred as a result of loss of employment. Employee acknowledges that Employer encouraged Employee to consult with an attorney of Employee's choosing, and through this General Release of Claims encourages Employee to consult with Employee's attorney with respect to possible claims under the Age Discrimination in Employment Act ("ADEA") and that Employee understands that the ADEA is a Federal statute that, among other things, prohibits discrimination on the basis of age in employment and employee benefits and benefit plans. Without limiting the generality of the release provided above, Employee expressly waives any and all claims under ADEA that Employee may have as of the date hereof. Employee further understands that by signing this General Release of Claims Employee is in fact waiving, releasing and forever giving up any claim under the ADEA as well as all other laws within the scope of this paragraph 1 that may have existed on or prior to the date hereof. Notwithstanding anything in this paragraph 1 to the contrary, this General Release of Claims shall not apply to (i) any actions to enforce rights to receive any payments or benefits which may be due Employee pursuant to Section 4.[●] of the Employment Agreement, or under any of Employer's employee benefit plans, (ii) any rights or claims that may arise as a result of events occurring after the date this General Release of Claims is executed, (iii) any indemnification rights Employee may have as a former officer or director of Employer or its subsidiaries or affiliated companies, (iv) any claims for benefits under any directors' and officers' liability policy maintained by Employer or its subsidiaries or affiliated companies in accordance with the terms of such policy, (v) any rights as a holder of equity securities of Employer, (vi) any claims that cannot be waived as a matter of law, (vii) any claims Employee may have to government-sponsored and administered benefits such as unemployment insurance, workers' compensation insurance (excluding claims for retaliation under workers' compensation laws), state disability insurance, and paid family leave benefits, and (viii) any benefits that vested on or prior to the termination date pursuant to a written benefit plan sponsored by Employer and governed by the federal law known as "ERISA".

2. Employee represents that Employee has not filed against the Released Parties any complaints, charges, or lawsuits arising out of Employee's employment, or any other matter arising on or prior to the date of this General Release of Claims, and covenants and agrees that Employee will never individually or with any person file, or commence the filing of, any charges, lawsuits, complaints or proceedings with any governmental agency, or against the Released Parties with respect to any of the matters released by Employee pursuant to paragraph 1 hereof (a "Proceeding"), provided, however, Employee retains the right to commence a Proceeding to challenge whether Employee knowingly and voluntarily waived Employee's rights under ADEA.

3. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement or any other agreement between Employer and Employee shall prevent Employee from filing a charge, sharing information and communicating in good faith, without prior notice to Employer, with any federal government agency having jurisdiction over Employer or its operations, and cooperating in any investigation by any such federal government agency; however, to the maximum extent permitted by law, Employee agrees that if such an administrative claim is made, Employee shall not be entitled to recover any individual monetary relief or other individual remedies, provided that, for purposes of clarity, this limitation on monetary recovery does not apply to whistleblower proceedings before the United States Securities and Exchange Commission.

4. Employee hereby acknowledges that Employer has informed Employee that Employee has up to twenty-one (21) days to sign this General Release of Claims and Employee may knowingly and voluntarily waive that twenty-one (21) day period by signing this General Release of Claims earlier. Employee also understands that Employee shall have seven (7) days following the date on which Employee signs this General Release of Claims within which to revoke it by providing a written notice of Employee's revocation to Employer.

5. Employee acknowledges that this General Release of Claims will be governed by and construed and enforced in accordance with the internal laws of the State of Florida applicable to contracts made and to be performed entirely within such State.

6. Employee acknowledges that Employee has read this General Release of Claims, that Employee has been advised that Employee should consult with an attorney before Employee executes this general release of claims, and that Employee understands all of its terms and executes it voluntarily and with full knowledge of its significance and the consequences thereof.

7. This General Release of Claims shall take effect on the eighth day following Employee's execution of this General Release of Claims unless Employee's written revocation is delivered to Employer within seven (7) days after such execution.

[DO NOT SIGN]

_____, 20

AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into by and between **PMG SERVICES, INC.** (f/k/a Mednax Services, Inc.), a Florida corporation ("Employer"), and **C. MARC RICHARDS** ("Employee") on April 26, 2023 (the "Effective Date").

RECITALS

WHEREAS, Employer is presently engaged in "Employer's Business" as defined on Exhibit A hereto;

WHEREAS, Employer desires to continue employing Employee and benefit from Employee's contributions to Employer; and

WHEREAS, Employer and Employee previously entered in an Employment Agreement dated September 27, 2020, which will be superseded in its entirety upon the execution of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and premises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Employer and Employee hereby agree as follows:

1. Employment.

1.1 *Employment and Term*. Employer hereby agrees to employ Employee and Employee hereby agrees to serve Employer on the terms and conditions set forth herein for an "Initial Term" commencing as of the Effective Date and continuing for a period of three (3) years, unless sooner terminated as hereinafter set forth. Thereafter, the employment of Employee hereunder shall automatically renew for successive one (1) year periods until terminated in accordance herewith. The Initial Term and any automatic renewals shall be referred to as the "Employment Period."

1.2 *Duties of Employee*. As of the Effective Date and thereafter during the remaining Employment Period, Employee shall serve as Executive Vice President and Chief Financial Officer of Employer and Pediatrix Medical Group, Inc., a Florida corporation and the parent corporation of Employer ("Pediatrix"), and perform such duties as are customary to the position Employee holds or as may be assigned to Employee from time to time by the most senior executive officer of Pediatrix ("Employee's Supervisor") or the Board of Directors of Pediatrix (the "Board") including, but not limited to, also serving as an officer and/or director, or equivalent, of subsidiaries and/or affiliates of Pediatrix; *provided,* that such duties as assigned shall be customary to Employee's role as an executive officer of Employer and Pediatrix. Employee's employment shall be full-time and, as such, Employee agrees to devote substantially all of Employee's attention and professional time to the business and affairs of Employer and Pediatrix. Employee shall perform Employee's duties honestly, diligently, competently, in good faith and in the best interest of Employer and Pediatrix. During the Employment Period, Employee agrees that Employee will not, without the prior written consent of Employer (which consent shall not be unreasonably withheld), serve as a director on a corporate board of directors or in any other similar

capacity for any institution other than Employer and Pediatrix, and their respective subsidiaries and affiliates in accordance with this Section 1.2. During the Employment Period, it shall not be a violation of this Agreement to (i) serve on civic or charitable boards or committees, or (ii) deliver lectures, fulfill speaking engagements or teach at educational institutions, so long as such activities have been approved by Employee's Supervisor and do not interfere with the performance of Employee's responsibilities as an employee of Employer in accordance with this Agreement, including the restrictions of Section 8 hereof.

1.3 *Place of Performance*. Employee shall be based at Employee's home office located in Florida, except for required travel relating to Employer's Business.

2. Base Salary and Performance Bonus.

2.1 *Base Salary*. Employer shall pay Employee during the Employment Period an annual salary of Five Hundred Thousand Dollars ($500,000) (the "Base Salary"), payable in accordance with Employer's normal business practices for senior executives (including tax withholding), but in no event less frequently than monthly. Employee's Base Salary shall be reviewed at least annually by the Compensation and Talent Committee of the Board (the "Compensation and Talent Committee") and may be increased in its discretion. After any such increase in Base Salary, the term "Base Salary" shall refer to the increased amount.

2.2 *Performance Bonus*. Employee shall be eligible to receive a cash bonus (the "Performance Bonus") for each year (or prorated with respect to any partial years of employment) during the Employment Period, provided that, except as otherwise provided herein, Employee has remained employed by Employer as of the end of the applicable year (or as of the end of the Employment Period for the final calendar year of the Employment Period). Employee's target bonus opportunity for any particular year ("Target Bonus") shall be one hundred percent (100%) of Base Salary. The amount of bonus payable to Employee for any particular year will be determined by the Compensation and Talent Committee, in its sole discretion, taking into account the performance of Employer and Employee for that particular year (or portion thereof). All such bonuses shall be paid no later than March 15th of the calendar year immediately following the calendar year in which it is earned.

3. Benefits.

3.1 *Expense Reimbursement*. Employer shall promptly reimburse Employee for all out-of-pocket expenses reasonably incurred by Employee during the Employment Period on behalf of or in connection with Employer's Business pursuant to the reimbursement standards and guidelines of Employer in effect from time to time, including reimbursement for appropriate professional organizations. Employee shall account for such expenses and submit reasonable supporting documentation in accordance with Employer's policies in effect from time to time.

3.2 *Employee Benefits*. During the Employment Period, Employee shall be entitled to participate in such health, welfare, disability, retirement savings and other fringe benefit plans and programs (subject to the terms and conditions of such plans and programs) as may be provided from time to time to employees of Employer and to the extent that such plans and programs are applicable to other similarly situated employees of Employer.

3.3 *Leave Time*. During the Employment Period, Employee shall be entitled to paid vacation and leave days each calendar year in accordance with the leave policies established by Employer from time to time. Any leave time not used during each fiscal year of Employer may be carried over into the next year to the extent permitted by Employer policy.

3.4 *Equity Plans.* During the Employment Period, the Chief Executive Officer of Pediatrix shall recommend to the Compensation and Talent Committee that Employee receive, on an annual basis following the Effective Date, and at the same time as other executive officers of Employer, grants of awards (each an "Equity Award") pursuant to Pediatrix's Amended and Restated 2008 Incentive Compensation Plan, as amended (the "2008 Plan"), or any other similar plan adopted by Pediatrix (together with the 2008 Plan, each an "Equity Plan"), with a grant value determined by the Compensation and Talent Committee in the same manner as for other executive officers of Employer. Every Equity Award made to Employee shall be subject to the terms and conditions of this Agreement and the terms of the applicable Equity Plan and shall be made subject to an award agreement that is consistent with terms applicable to other executive officers of Employer. Notwithstanding any contrary provision in this Agreement or any Equity Plan then maintained by Pediatrix, if Employee remains continuously employed with Employer through the date of a Change in Control (as defined in the Equity Plan pursuant to which the Equity Award is issued, provided that such event constitutes a "change in the ownership or effective control of the corporation, or in the ownership of a substantial portion of the assets of the corporation" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), as necessary to avoid penalties under Section 409A of the Code that are applicable to an Equity Award), then upon such Change in Control (i) all time-based Equity Awards granted to Employee by Pediatrix shall immediately become fully vested, non-forfeitable and, if applicable, exercisable and (ii) all performance-based Equity Awards, if any, for which the applicable performance condition has been met at the time of such Change in Control shall immediately become fully vested, non-forfeitable and, if applicable, exercisable. For purposes of clarification, except as otherwise provided in an applicable award agreement, the vesting of any performance-based Equity Awards for which the performance condition has not been met at the time of such Change in Control shall not be accelerated or otherwise modified pursuant to this Section 3.4 but such Equity Awards may nonetheless be accelerated or otherwise modified as determined by the Compensation and Talent Committee of Pediatrix under the terms of the Equity Plan.

4. Termination; Compensation and Benefits Upon Termination.

4.1 *Termination for Cause*. Employer may terminate Employee's employment under this Agreement for Cause (as defined below). The termination date for a termination of Employee's employment under this Agreement pursuant to this Section 4.1 shall be the date specified by Employer in a written notice to Employee of finding of Cause. If Employee's employment is terminated for Cause, Employer shall pay (i) Employee's Base Salary through the termination date at the rate in effect at the termination date, (ii) reimbursement for reasonable business expenses incurred prior to the termination date, subject to Employer policy and the provisions of Section 3.1 hereof, and (iii) vacation payout and any other benefits that are vested benefits under applicable Employer benefit plans or that are required by applicable law (the foregoing clauses (i)-(iii), the "Accrued Obligations").

4.2 *Disability*. Employer may terminate Employee's employment under this Agreement upon the Disability (as defined below) of Employee. The termination date for a termination of this Agreement pursuant to this Section 4.2 shall be the date specified by Employer in a notice to Employee. In the event of Employee's Disability, (i) Employee shall continue to receive Employee's Base Salary for ninety (90) days under the Employer's short term disability policy, which may be amended or modified in the Employer's discretion upon written notice to Employee (the "Initial Disability Period"), and (ii) following such Initial Disability Period, if Employee's Disability continues, the Employer may terminate Employee's employment immediately upon written notice. If Employee's employment is terminated in connection with Employee's Disability, in addition to the Accrued Obligations and subject to and conditioned on Employee's compliance with the terms of Section 5 hereof, Employee shall be eligible to receive (A) a bonus with respect to Employer's fiscal year in which the termination date occurs, equal to Employee's minimum Target Bonus for the year of termination, multiplied by the number of days in the fiscal year prior to and including the date of termination and divided by three hundred sixty five (365) (a "Pro-Rated Bonus") payable within thirty (30) days of the termination date; and (B) all time-based Equity Awards granted to Employee by Pediatrix prior to termination of Employee's employment shall immediately become fully vested, non-forfeitable and, if applicable, exercisable, and all performance-based shares awards, if any, shall remain outstanding and shall vest based upon actual performance determined at the end of the applicable performance period (the "Equity Acceleration"), except as set forth in the award agreement.

4.3 *Death*. Employee's employment under this Agreement shall terminate automatically upon the death of Employee, without any requirement of notice by Employer to Employee's estate. The date of Employee's death shall be the termination date for a termination of Employee's employment under this Agreement pursuant to this Section 4.3. Upon Employee's death during the Employment Period, Employer shall pay or provide to the person or entity designated by Employee in a notice filed with Employer or, if no person is designated, to Employee's estate (i) the Accrued Obligations; (ii) a Pro-Rated Bonus; and (iii) the Equity Acceleration, except as set forth in the award agreement.

4.4 *Termination by Employer Without Cause*. Employer may terminate Employee's employment under this Agreement without Cause by giving Employee written notice of such termination. The termination date shall be the date specified by Employer in such notice, which may be up to ninety (90) days from the date of such notice. Upon any termination of Employee's employment without Cause pursuant to this Section 4.4, in addition to the Accrued Obligations and subject to and conditioned on Employee's compliance with the terms of Section 5 hereof, Employee shall be eligible to receive: (i) a Pro-Rated Bonus; (ii) severance payments equivalent to Employee's monthly Base Salary for a period of twenty-four (24) months after the termination date (the "Severance Period"), payable in installments in Employer's normal payroll; (iii) continuation of health, medical, hospitalization and other similar health insurance programs on the same basis as regular, full-time employees of Employer and their eligible dependents during the Severance Period (or, at Employer's option, Employer may provide health insurance to Employee and Employee's eligible dependents through an insurance carrier(s) selected by Employer in lieu of providing the foregoing coverage, provided the coverage afforded by such insurance is substantially comparable to the foregoing coverage, and Employee shall pay the cost of such insurance up to the amount that would have been paid by Employee under the foregoing coverage and Employer shall pay the excess cost, if any); (iv) an amount equal to the greater of

(A) 1.5 times Employee's Average Annual Performance Bonus (as defined below) or (B) 1.5 times Employee's Target Bonus amount, payable within sixty (60) days of the termination date; and (v) the Equity Acceleration.

4.5 *Termination by Employee without Good Reason*. Employee may terminate Employee's employment under this Agreement without Good Reason (as defined below) upon not less than ninety (90) days prior written notice to Employer. Upon receipt of such notice from Employee, Employer may, at its option, accelerate the effective date of Employee's termination of employment at any time in advance of the expiration of such ninety (90) day period (which acceleration shall not constitute Good Reason or a termination by Employer without Cause). The termination date under this Section 4.5 shall be the date specified by Employer, but in no event more than ninety (90) days after Employer's receipt of notice from Employee as contemplated by this Section 4.5. Upon any termination of Employee's employment under this Agreement pursuant to this Section 4.5, Employee shall be entitled to the Accrued Obligations.

4.6 *Termination by Employee for Good Reason.* Employee may terminate Employee's employment hereunder for Good Reason. If Employee desires to terminate Employee's employment under this Agreement pursuant to this Section 4.6, Employee must, within ninety (90) days after the occurrence of events giving rise to the Good Reason, provide Employer with a written notice describing the Good Reason in reasonable detail. If Employer fails to cure the matter cited within thirty (30) days after the date of Employee's notice, then this Agreement shall terminate as of the end of such thirty (30) day cure period, provided, however, that Employer may, at its option, require Employee to terminate employment at any time in advance of the expiration of such thirty (30) day cure period. If Employee's employment under this Agreement is terminated pursuant to this Section 4.6, then Employee shall be eligible to receive the same payments and benefits, subject to the same conditions, for a termination without Cause as set forth in Section 4.4 hereof.

4.7 *Continuation of Benefit Plans*. Following any termination that results in the expiration of Employee's continued benefit plan coverage, Employee and each of Employee's eligible dependents shall be entitled to elect for continuation of coverage provided pursuant to COBRA.

4.8 *Continuing Obligations*. The obligations imposed on Employee with respect to non-competition, non-solicitation, confidentiality, non-disclosure and assignment of rights to inventions or developments in this Agreement or any other agreement executed by the parties shall continue, notwithstanding the termination of the employment relationship between the parties and regardless of the reason for such termination.

5. Conditions to Severance; Certain Definitions.

5.1 *Release.* Employer shall provide Employee with a general release in the form attached as Exhibit B (subject to such modifications as Employer may reasonably request) (the "Release") within seven (7) days after Employee's termination date. Payments or benefits to which Employee may be entitled pursuant to Section 4 hereof (other than the Accrued Obligations) (the "Severance Amounts") shall be conditioned upon (i) Employee executing the Release within twenty one (21) days after receiving it from Employer (or such longer period as may be set forth

in the Release) and the Release becoming irrevocable upon the expiration of seven (7) days following Employee's execution of it, (ii) Employee agreeing to submit to a reasonable exit interview if requested by Employer, and (iii) Employee's compliance with all post-termination obligations to Employer and its subsidiaries and affiliates and surrendering to Employer all proprietary or confidential information and articles belonging to Employer or its subsidiaries or affiliates. Payment of the Severance Amounts shall be suspended during the period (the "Suspension Period") that begins on Employee's termination date and ends on the date ("Suspension Termination Date") that is at least forty-five (45) days after Employee's termination date; provided, however, that this suspension shall not apply, and Employer shall be required to provide, any continued health insurance coverage (or COBRA reimbursement) that would be required under Section 4 hereof during the Suspension Period. If Employee executes the Release and the Release becomes irrevocable by no later than the Suspension Termination Date, then payment of any Severance Amounts that were suspended pursuant to this provision shall be made in the first payroll period that follows the Suspension Termination Date, and any Severance Amounts that are payable after the Suspension Termination Date shall be paid at the times provided in Section 4 hereof.

5.2 *Certain Definitions*. As used in this Agreement:

(a) "Average Annual Performance Bonus" shall mean an amount equal to the average of the percentage of the Performance Bonus target achieved by Employee for the three (3) full calendar years prior to the termination date (or such lesser period as Employee may have been employed by Employer), and calculated based on Employee's Base Salary and Target Bonus in Employee's current position. For illustration purposes, if Employee earned 40%, 100% and 70% of Employee's Target Bonus in each of the three full calendar years prior to termination, and Employee's current Target Bonus was 100% of Base Salary, and Base Salary was $450,000.00, then Employee's Average Annual Performance Bonus would equal $315,000.00. ((40%+ 100% + 70%) / 3 x 100% x $450,000.00 = $315,000.00).

(b) "Cause" shall mean the occurrence of any of: (i) Employee's engagement in (A) willful misconduct resulting in material harm to Pediatrix or Employer, or (B) gross negligence; (ii) Employee's conviction of, or pleading nolo contendere to, a felony or any other crime involving fraud, financial misconduct, or misappropriation of Employer's assets; (iii) Employee's willful and continual failure, after written notice from Employee's Supervisor or the Board to (A) perform substantially Employee's employment duties consistent with Employee's position and authority, or (B) follow, consistent with Employee's position, duties, and authorities, the reasonable lawful mandates of Employee's Supervisor or the Board; (iv) Employee's failure or refusal to comply with a reasonable policy, standard or regulation of Employer in any material respect, including but not limited to Employer's sexual harassment, other unlawful harassment, workplace discrimination or substance abuse policies; or (v) Employee's breach of Section 8.4 hereof resulting in material harm to Pediatrix or Employer. No act or omission shall be deemed willful or grossly negligent for purposes of this definition if taken or omitted to be taken by Employee in a good faith belief that such act or omission to act was in the best interests of Employer or Pediatrix or if done at the express direction of the Board.

(c) Subject to the requirements of applicable law, "Disability" shall mean (i) Employee's inability to perform Employee's duties hereunder, with or without a reasonable

accommodation, as a result of physical or mental illness or injury, and (ii) a determination by an independent qualified physician selected by Employer and acceptable to Employee (which acceptance shall not be unreasonably withheld) that Employee is currently unable to perform such duties and in all reasonable likelihood such inability will continue for a period in excess of an additional ninety (90) or more days in any one hundred twenty (120) day period.

(d) "Good Reason" shall mean: (i) a decrease in Employee's Base Salary; (ii) a decrease in Employee's Target Bonus opportunity; (iii) Employee is assigned any position, duties, responsibilities or compensation that is inconsistent with the position, duties, or responsibilities of Employee contemplated herein as of the Effective Date, it being understood that these roles and positions are evolving and responsibilities may change over time and, excluding for this purpose any isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of written notice; (iv) Employee experiences a material diminution in Employee's authorities, duties or responsibilities, it being understood that these roles and positions are evolving and responsibilities may change over time and excluding for this purpose any isolated and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of written notice; (v) Employee is required to report to any person other than the senior most executive officer of Pediatrix, the Board, or a duly constituted committee thereof, or there is a material diminution in the authority, duties or responsibilities of the senior most executive officer of Pediatrix; (vi) the requirement by Employer that Employee be based in any office or location outside of the metropolitan area where Employee resides or where Employer's headquarters resides as of the Effective Date, except for travel reasonably required in the performance of Employee's duties; (vii) any other action or inaction that constitutes a material breach of this Agreement by Employer; or (viii) if following a Change in Control, neither the common stock of Pediatrix nor the common equity of its successor, parent or subsidiary is listed for trading on a national securities exchange.

6. Successors; Binding Agreement.

6.1 *Successors*. Employer shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) acquiring a majority of Employer's voting common stock or any other successor to all or substantially all of the business and/or assets of Employer to expressly assume and agree to perform this Agreement in the same manner and to the same extent that Employer would be required to perform it if no such succession had taken place and Employee hereby consents to any such assignment. In such event, "Employer" shall mean Employer as previously defined and any successor to its business and/or assets which executes and delivers the agreement provided for in this Section 6 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law. This Section 6.1 shall not limit Employee's ability to terminate this Agreement in the circumstances described in Section 4.6 hereof.

6.2 *Benefit*. This Agreement and all rights of Employee under this Agreement shall inure to the benefit of and be enforceable by Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Employee should die after the termination date and amounts would have been payable to Employee under this Agreement if Employee had continued to live, including under Section 5 hereof, then such

amounts shall be paid to Employee's devisee, legatee, or other designee or, if there is no such designee, Employee's estate.

7. Conflicts. Except as otherwise provided in this Agreement, this Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes and revokes any and all prior or existing agreements, written or oral, relating to the subject matter hereof, and this Agreement shall be solely determinative of the subject matter hereof.

8. Restrictive Covenants; Confidential Information; Work Product; Injunctive Relief.

8.1 *No Material Competition*. Employer and Employee acknowledge and agree that a strong relationship and connection exists between Employer and its current and prospective patients, referral sources, and customers as well as the hospitals and healthcare facilities at which it provides professional services. Employer and Employee further acknowledge and agree that the restrictive covenants described in this Section are designed to enforce, and are ancillary to or part of, the promises contained in this Agreement and are reasonably necessary to protect the legitimate interests of Employer in the following: (1) the use and disclosure of the Confidential Information as described in Section 8.4 hereof; (2) the professional development activities described in Section 1.2 hereof; and (3) the goodwill of Employer, as promoted by Employee as provided in Section 1.2 hereof. The foregoing listing is by way of example only and shall not be construed to be an exclusive or exhaustive list of such interests. Employee acknowledges that the restrictive covenants set forth below are of significant value to Employer and were a material inducement to Employer in agreeing to the terms of this Agreement. Employee further acknowledges that the goodwill and other proprietary interest of Employer will suffer irreparable and continuing damage in the event Employee enters into competition with Employer in violation of this Section.

Therefore, Employee agrees that, except with respect to services performed under this Agreement on behalf of Employer, **Employee shall not**, at any time during the Restricted Period (as defined below), for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly participate or engage in or own an interest in, directly or indirectly, any individual proprietorship, partnership, corporation, joint venture, trust or other form of business entity, whether as an individual proprietor, partner, joint venturer, officer, director, member, employee, consultant, independent contractor, stockholder, lender, landlord, finder, agent, broker, trustee, or in any manner whatsoever, if such entity or its affiliates is engaged in, directly or indirectly, "Employer's Business," as defined on Exhibit A hereto. Employee acknowledges that, as of the date hereof, Employee's responsibilities will include matters affecting the businesses of Employer listed on Exhibit A. For purposes of this Section 8, the "Restricted Period" shall mean the Employment Period plus (i) eighteen (18) months in the event this Agreement is terminated pursuant to Section 4.1 hereof, and (ii) twenty-four (24) months in the event the Agreement is terminated for any other reason.

8.2 *No Hire*. Employee further agrees that **Employee shall not**, at any time during the Employment Period and for a period of eighteen (18) months immediately following termination of this Agreement for any reason, for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly employ,

or intentionally, knowingly, or willingly permit any company or business directly or indirectly controlled by Employee to (a) employ or otherwise engage (i) any person who is a then current employee or exclusive independent contractor of Employer or one of its affiliates, or (ii) any person who was an employee or exclusive independent contractor of Employer or one of its affiliates in the prior six (6) month period, or (b) take any action that would reasonably be expected to induce an employee or independent contractor of Employer or one of its affiliates to leave his or her employment or engagement with Employer or one of its affiliates (including without limitation for or on behalf of a subsequent employer of Employee).

8.3 *Non-Solicitation.* Employee further agrees that **Employee shall not**, at any time during the Employment Period and for a period of eighteen (18) months immediately following termination of this Agreement for any reason, for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly solicit or accept business from or take any action that would reasonably be expected to materially interfere with, diminish or impair the valuable relationships that Employer or its affiliates have with (i) hospitals or other health care facilities with which Employer or its affiliates have contracts to render professional services or otherwise have established relationships, (ii) patients, (iii) referral sources, (iv) vendors, (v) any other clients of Employer or its affiliates, or (vi) prospective hospitals, patients, referral sources, vendors or clients whose business Employee was aware that Employer or any affiliate of Employer was in the process of soliciting at the time of Employee's termination (including potential acquisition targets).

8.4 *Confidential Information*. At all times during the term of this Agreement, Employer shall provide Employee with access to "Confidential Information." As used in this Agreement, the term "Confidential Information" means any and all confidential, proprietary or trade secret information, whether disclosed, directly or indirectly, verbally, in writing or by any other means in tangible or intangible form, including that which is conceived or developed by Employee, applicable to or in any way related to: (i) patients with whom Employer has a physician/patient relationship; (ii) the present or future business of Employer; or (iii) the research and development of Employer. Without limiting the generality of the foregoing, Confidential Information includes: (a) the development and operation of Employer's medical practices, including information relating to budgeting, staffing needs, marketing, research, hospital relationships, equipment capabilities, and other information concerning such facilities and operations and specifically including the procedures and business plans developed by Employer for use at the hospitals where Employer conducts its business; (b) contractual arrangements between Employer and insurers or managed care associations or other payors; (c) the databases of Employer; (d) the clinical and research protocols of Employer, including coding guidelines; (e) the referral sources of Employer; (f) other confidential information of Employer that is not generally known to the public that gives Employer the opportunity to obtain an advantage over competitors who do not know or use it, including the names, addresses, telephone numbers or special needs of any of its patients, its patient lists, its marketing methods and related data, lists or other written records used in Employer's business, compensation paid to employees and other terms of employment, accounting ledgers and financial statements, contracts and licenses, business systems, business plan and projections, and computer programs. The parties agree that, as between them, this Confidential Information constitutes important, material, and confidential trade secrets that affect the successful conduct of Employer's business and its goodwill. Employer acknowledges that the Confidential Information specifically enumerated above is special and

unique information and is not information that would be considered a part of the general knowledge and skill Employee has or might otherwise obtain.

Notwithstanding the foregoing, Confidential Information shall not include any information that (i) was known by Employee from a third party source before disclosure by or on behalf of Employer, (ii) becomes available to Employee from a source other than Employer that is not, to Employee's knowledge, bound by a duty of confidentiality to Employer, (iii) becomes generally available or known in the industry other than as a result of its disclosure by Employee, or (iv) has been independently developed by Employee and may be disclosed by Employee without breach of this Agreement, provided, in each case, that Employee shall bear the burden of demonstrating that the information falls under one of the above-described exceptions. Pursuant to the Defend Trade Secrets Act of 2016, Employee acknowledges that Employee shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if Employee files a lawsuit for retaliation by Employer for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney and may use the trade secret information in the court proceeding, if Employee (X) files any document containing the trade secret under seal and (Y) does not disclose the trade secret, except pursuant to court order.

Additionally, notwithstanding anything herein to the contrary, nothing in this Agreement or any other agreement between Employer and Employee shall prevent Employee from filing a charge, sharing information and communicating in good faith, without prior notice to Employer, with any federal government agency having jurisdiction over Employer or its operations, and cooperating in any investigation by any such federal government agency.

Unless disclosure is otherwise required by applicable law or stock exchange rules, Employee agrees that the terms of this Agreement shall be deemed Confidential Information for purposes of this Section. Employee shall keep the terms of this Agreement strictly confidential and will not, without the prior written consent of Employer, disclose the details of this Agreement to any third party in any manner whatsoever in whole or in part, with the exception of Employee's representatives (such as tax advisors and attorneys) who need to know such information.

Employee agrees that Employee will not at any time, whether during or subsequent to the term of Employee's employment with Employer, in any fashion, form or manner, unless specifically consented to in writing by Employer, either directly or indirectly, use or divulge, disclose, or communicate to any person, firm or corporation, in any manner whatsoever, any Confidential Information of any kind, nature, or description, subject to applicable law. The parties agree that any breach by Employee of any term of this Section 8.4 resulting in material harm to Pediatrix or Employer is a material breach of this Agreement and shall constitute "Cause" for the termination of Employee's employment hereunder pursuant to Section 4.1 hereof. In the event that Employee is ordered to disclose any Confidential Information, whether in a legal or a regulatory proceeding or otherwise, Employee shall provide Employer with prompt written notice of such request or order so that Employer may seek to prevent disclosure or, if that cannot be achieved, the entry of a protective order or other appropriate protective device or procedure in

order to assure, to the extent practicable, compliance with the provisions of this Agreement. In the case of any disclosure required by law, Employee shall disclose only that portion of the Confidential Information that Employee is ordered to disclose in a legally binding subpoena, demand or similar order issued pursuant to a legal or regulatory proceeding.

All Confidential Information, and all equipment, notebooks, documents, memoranda, reports, files, samples, books, correspondence, lists, other written and graphic records, in any media (including electronic or video) containing Confidential Information or relating to the business of Employer, which Employee shall prepare, use, construct, observe, possess, or control shall be and remain Employer's sole property (collectively "Employer Property"). Upon termination or expiration of this Agreement, or earlier upon Employer's request, Employee shall promptly deliver to Employer all Employer Property, retaining none.

8.5 *Ownership of Work Product.* Employee agrees and acknowledges that (i) all copyrights, patents, trade secrets, trademarks, service marks, or other intellectual property or proprietary rights associated with any ideas, concepts, techniques, inventions, processes, or works of authorship developed or created by Employee during the course of performing work for Employer and any other work product conceived, created, designed, developed or contributed by Employee during the term of this Agreement that relates in any way to Employer's Business (collectively, the "Work Product"), shall belong exclusively to Employer and shall, to the extent possible, be considered a work made for hire within the meaning of Title 17 of the United States Code. To the extent the Work Product may not be considered a work made for hire owned exclusively by Employer, Employee hereby assigns to Employer all right, title, and interest worldwide in and to such Work Product at the time of its creation, without any requirement of further consideration. Upon request of Employer, Employee shall take such further actions and execute such further documents as Employer may deem necessary or desirable to further the purposes of this Agreement, including without limitation separate assignments of all right, title, and interest in and to all rights of copyright and all right, title, and interest in and to any inventions or patents and any reissues or extensions which may be granted therefore, and in and to any improvements, additions to, or modifications thereto, which Employee may acquire by invention or otherwise, the same to be held and enjoyed by Employer for its own use and benefit, and for the use and benefit of Employer's successors and assigns, as fully and as entirely as the same might be held by Employee had this assignment not been made.

8.6 *Clearance Procedure for Proprietary Rights Not Claimed by Employer.* In the event that Employee wishes to create or develop, *other than* on Employer's time or using Employer's resources, anything that may be considered Work Product but to which Employee believes Employee should be entitled to the personal benefit of, Employee agrees to follow the clearance procedure set forth in this Section. Before beginning any such work, Employee agrees to give Employer advance written notice and provide Employer with a sufficiently detailed written description of the work under consideration for Employer to make a determination regarding the work. Unless otherwise agreed in a writing signed by Employer prior to receipt, Employer shall have no obligation of confidentiality with respect to such request or description. Employer will determine in its sole discretion, within thirty (30) days after Employee has fully disclosed such plans to Employer, whether rights in such work will be claimed by Employer. If Employer determines that it does not claim rights in such work, Employer agrees to so notify Employee in writing and Employee may retain ownership of the work to the extent that such work has been

expressly disclosed to Employer. If Employer fails to so notify Employee within such thirty (30) day period, then Employer shall be deemed to have agreed that such work is not considered Work Product for purposes of this Agreement. Employee agrees to submit for further review any significant improvement, modification, or adaptation that could reasonably be related to Employer's Business so that it can be determined whether the improvement, modification, or adaptation relates to the business or interests of Employer. Clearance under this procedure does not relieve Employee of the restrictive covenants set forth in this Section 8.

8.7 *Non-Disparagement.* During the Employment Period and for a period of ten (10) years after the termination of this Agreement, Employee will not, directly or indirectly, as an individual or on behalf of a firm, corporation, partnership or other legal entity, intentionally, knowingly, or willingly make any comment that would reasonably be expected to be materially disparaging or negative to any other person or entity regarding Employer or any of its affiliates, agents, attorneys, employees, officers and directors, Employee's work conditions or circumstances surrounding Employee's separation from Employer or otherwise impugn or criticize the name or reputation of Employer, its affiliates, agents, attorneys, employees, officers or directors, orally or in writing.

8.8 *Review by Employee.* Employee has carefully read and considered the terms and provisions of this Section 8, and having done so, agrees that the restrictions set forth in this Section 8 are fair and reasonably required for the protection of the interests of Employer. In the event that any term or provision set forth in this Section 8 shall be held to be invalid or unenforceable by a court of competent jurisdiction, the parties hereto agree that such invalid or unenforceable term(s) or provision(s) may be severed from this Agreement without, in any manner, affecting the remaining portions hereof. Without limiting other possible remedies available to Employer, Employee agrees that injunctive or other equitable relief will be available to enforce the covenants set forth in this Section 8, such relief to be without the necessity of posting a bond. In the event that, notwithstanding the foregoing, any part of the covenants set forth in this Section 8 shall be held to be invalid, overbroad, or unenforceable by an arbitrator or a court of competent jurisdiction, the parties hereto agree that such invalid, overbroad, or unenforceable provision(s) may be modified or severed from this Agreement without, in any manner, affecting the remaining portions of this Section 8 (all of which shall remain in full force and effect). In the event that any provision of this Section 8 related to time period or areas of restriction shall be declared by an arbitrator or a court of competent jurisdiction to exceed the maximum time period, area or activities such arbitrator or court deems reasonable and enforceable, said time period or areas of restriction shall be deemed modified to the minimum extent necessary to make the geographic or temporal restrictions or activities reasonable and enforceable.

8.9 *Survival; Notice of Breach and Right to Cure.* If Employer reasonably believes that Employee has breached a provision of this Section 8, Employer shall provide prompt written notice thereof to Employee that explains such reasonably believed breach (the "Alleged Breach"). Employer agrees to work in good faith with Employee to provide Employee a reasonable opportunity to promptly cure such Alleged Breach. In the event that Employee, acting in good faith, promptly takes actions that would reasonably be expected to cure the Alleged Breach, including, with respect to a comment made by Employee that Employer reasonably believes is in breach of Section 8.7 hereof, by Employee retracting such comment, then Employee shall be deemed not to be in breach of this Section 8 with respect to the Alleged Breach. Employer

and Employee further agree that Employee shall not be deemed to be in breach of any term of Section 8.4 hereof unless such breach results in material harm to Pediatrix or Employer.

The provisions of this Section 8 shall survive the termination of this Agreement and Employee's employment with Employer. In the event of a breach of this Section 8 by Employee, as finally determined pursuant to Section 11 hereof, Employer retains the right to terminate any continuing payments to Employee provided for in Section 4 hereof. In the event of a breach of any provisions of this Section 8 by Employee, as finally determined pursuant to Section 11 hereof, the period for which those provisions would remain in effect shall be extended for a period of time equal to that period beginning when such breach commenced and ending when the activities constituting such breach shall have been finally terminated, in each case as finally determined pursuant to Section 11 hereof. The provisions of this Section 8 are expressly intended to benefit and be enforceable by other affiliated entities of Employer, who are express third party beneficiaries hereof. Employee shall not assist others in engaging in any of the activities described in the foregoing restrictive covenants.

9. Tax Matters

9.1 *Section 409A*

(a) *In General.* The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). For purposes of Section 409A of the Code, the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party. Employer makes no representation or warranty and shall have no liability to Employee or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, Section 409A.

(b) *Six-Month Delay.* Anything in this Agreement to the contrary notwithstanding, if at the time of Employee's separation from service within the meaning of Section 409A of the Code, Employer determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee becomes entitled to under this Agreement on account of Employee's "separation from service" (within the meaning of Section 409A) that would be considered "non-qualified deferred compensation", such payment shall not be payable and such benefit shall not be provided until the date that is within fifteen (15) days after the end of the six-month period beginning on the date of such "separation from service" or, if earlier, within fifteen (15) days after the appointment of the personal representative or executor of Employee's estate following Employee's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during

the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(c) *Reimbursements.* All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by Employer or incurred by Employee during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(d) *Separation from Service.* To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon Employee's termination of employment, then such payments or benefits shall be payable only upon Employee's "separation from service" as defined under Section 409A. The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(e) *Later Calendar Year*. To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and not otherwise exempt from the application of Section 409A, then, if the period during which Employee may consider and sign the Release or the period in which the Employer can make a severance payment spans two calendar years, any payment or benefit described in this Agreement will not be made or begin until the later calendar year.

9.2 ***Section 280G***. Notwithstanding any other provision of this Agreement or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by Employer or its affiliates to Employee or for Employee's benefit pursuant to the terms of this Agreement or otherwise (the "Covered Payments") constitute parachute payments (the "Parachute Payments") within the meaning of Section 280G of the Code and, but for this Section 9, would be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then prior to making the Covered Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to Employee of the Covered Payments after payment of the Excise Tax to (ii) the Net Benefit to Employee if the Covered Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the Covered Payments be reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax (that amount, the "Reduced Amount"). "Net Benefit" shall mean the present value of the Covered Payments net of all federal, state, local, foreign income, employment and excise taxes.

(a) Any such reduction shall be made in accordance with Section 409A and the following: (i) the Covered Payments consisting of cash severance benefits that do not constitute nonqualified deferred compensation subject to Section 409A shall be reduced first, in reverse chronological order; (ii) all other Covered Payments consisting of cash payments, and Covered Payments consisting of accelerated vesting of equity based awards to which Treas. Reg. § 1.280G-1 Q/A-24(c) does not apply, and that in either case do not constitute nonqualified deferred compensation subject to Section 409A, shall be reduced second, in reverse chronological order; (iii) all Covered Payments consisting of cash payments that constitute nonqualified deferred compensation subject to Section 409A shall be reduced third, in reverse chronological order; and (iv) all Covered Payments consisting of accelerated vesting of equity-based awards to which Treas. Reg. § 1.280G-1 Q/A-24(c) applies shall be the last Covered Payments to be reduced.

(b) Any determination required under this Section 9 shall be made in writing in good faith by an independent accounting firm selected by Employer (the "Accountants"). Employer and Employee shall provide the Accountants with such information and documents as the Accountants may reasonably request in order to make a determination under this Section 9. For purposes of making the calculations and determinations required by this Section 9, the Accountants may rely on reasonable, good-faith assumptions and approximations concerning the application of Section 280G and Section 4999 of the Code. The Accountants' determinations shall be final and binding on Employer and Employee. Employer shall be responsible for all fees and expenses incurred by the Accountants in connection with the calculations required by this Section 9.

(c) It is possible that after the determinations and selections made pursuant to this Section 9, Employee will receive Covered Payments that are in the aggregate more than the amount intended or required to be provided after application of this Section 9 ("Overpayment") or less than the amount intended or required to be provided after application of this Section 9 ("Underpayment").

(i) In the event that: (A) the Accountants determine, based upon the assertion of a deficiency by the Internal Revenue Service against either Employer or Employee that the Accountants believe has a high probability of success, that an Overpayment has been made or (B) it is established pursuant to a final determination of a court or an Internal Revenue Service proceeding that has been finally and conclusively resolved that an Overpayment has been made, then Employee shall pay any such Overpayment to Employer together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code) from the date of Employee's receipt of the Overpayment until the date of repayment.

(ii) In the event that: (A) the Accountants, based upon controlling precedent or substantial authority, determine that an Underpayment has occurred or (B) a court of competent jurisdiction determines that an Underpayment has occurred, any such Underpayment will be paid promptly by Employer to or for the benefit of Employee together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code) from the date the amount should have otherwise been paid to Employee until the payment date.

9.3 *Tax Withholding.* All amounts payable under this Agreement shall be subject to applicable income and employment tax withholding.

10.Dispute Resolution; Injunctive Relief. If any controversy or claim arises out of or relating to this Agreement, or any alleged breach hereof, Employee and Employer shall first try to resolve such controversy or claim through mediation using the services of the American Arbitration Association. If any such controversy or claim cannot be resolved by mediation pursuant to the foregoing, Employee and Employer agree that such controversy or claim shall be finally determined by a single arbitrator, jointly selected by Employee and Employer, provided that if Employee and Employer are unable to agree upon a single arbitrator after reasonable efforts, the arbitrator shall be an impartial arbitrator selected by the American Arbitration Association.

Employer shall bear all costs associated with such mediation and, if necessary, arbitration, including but not limited to all costs of the mediator and arbitrator, and shall reimburse Employee on a monthly basis for Employee's reasonable legal and other expenses, including all fees, incurred in connection with any such mediation and, if necessary, arbitration, provided, however, that if Employer ultimately prevails in any arbitration (as determined by the arbitrator), the arbitrator shall have the power to require Employee to reimburse Employer for all or a portion of the advanced legal fees and other expenses as determined by the arbitrator (and, if the arbitrator finds that Employer prevailed on certain claims and Employee prevailed on others, the arbitrator shall have the power to require Employee to reimburse Employer for a portion of the advanced legal fees and other expenses determined by the arbitrator based on those claims on which Employer prevailed). The mediation and, if necessary, arbitration proceedings shall be held in Sunrise, Florida, unless otherwise mutually agreed by the parties, and shall be conducted in accordance with the American Arbitration Association National Rules for the Resolution of Employment Disputes then in effect. Judgment on any award rendered by the arbitrator may be entered and enforced by any court having jurisdiction thereof. Any such mediation and, if necessary, arbitration shall be treated as confidential by all parties thereto, except as otherwise provided by law or as otherwise necessary to enforce any judgment or order issued by the arbitrator.

Notwithstanding anything herein to the contrary, if Employer or Employee shall require immediate injunctive relief, then the party shall be entitled to seek such relief in any court having jurisdiction, and if the party elects to do so, the other party hereby consents to the jurisdiction of the state and federal courts sitting in the State of Florida and to the applicable service of process. Employee and Employer hereby waive and agree not to assert, to the fullest extent permitted by applicable law, any claim that (i) they are not subject to the jurisdiction of such courts, (ii) they are immune from any legal process issued by such courts and (iii) any litigation or other proceeding commenced in such courts is brought in an inconvenient forum. In the event that Employer brings suit against Employee seeking injunctive relief, Employer agrees to advance all of Employee's reasonable legal and other expenses, including all fees, incurred by Employee in connection with such action, provided, however, that if Employer ultimately prevails in seeking injunctive relief, Employee shall reimburse Employer all such advanced legal fees and other expenses.

11.Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its conflict of laws principles to the extent that such principles would require the application of laws other than the laws of the State of Florida.

12.Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when (i) delivered by hand, (ii) delivered by electronic mail that is confirmed by non-automated means, or (iii) when delivered or delivery is refused if sent by registered or certified U.S. mail, return receipt requested, postage prepaid, or via reputable overnight courier, addressed as follows:

If to Employer:	If to Employee:
PMG Services, Inc. 1301 Concord Terrace Sunrise, FL 33323 Attention: General Counsel Email: maryann.moore@pediatrix.com	C. Marc Richards c/o PMG Services, Inc. 1301 Concord Terrace Sunrise, FL 33323 Email: marc.richards@pediatrix.com

or to such other addresses as either party hereto may from time to time give notice of to the other in the aforesaid manner.

13.Benefits; Binding Effect. This Agreement shall be for the benefit of and binding upon the parties hereto and their respective heirs, personal representatives, legal representatives, successors and, where applicable, assigns. Notwithstanding the foregoing, Employee may not assign the rights or benefits hereunder without the prior written consent of Employer. This Agreement may be assigned by Employer upon notice to Employee.

14.Severability. The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted. If such invalidity is caused by length of time or size of area, or both, the otherwise invalid provision will be considered to be reduced to a period or area, which would cure such invalidity.

15.Waivers. The waiver by either party hereto of a breach or violation of any term or provision of this Agreement shall not operate nor be construed as a waiver of any subsequent breach or violation.

16.Damages. Nothing contained herein shall be construed to prevent Employer or Employee from seeking and recovering from the other damages sustained by either or both of them as a result of a breach of any term or provision of this Agreement.

17.No Third Party Beneficiary. Except as provided in Section 8.9 hereof, nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person (other than the parties hereto and, in the case of Employee, Employee's heirs, personal representative(s) and/or legal representative) any rights or remedies under or by reason of this

Agreement. No agreements or representations, oral or otherwise, express or implied, have been made by either party with respect to the subject matter of this Agreement which agreements or representations are not set forth expressly in this Agreement, and this Agreement supersedes any other employment agreement between Employer and Employee.

The remainder of this page has been left blank intentionally.

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of the Effective Date.

EMPLOYER:

PMG SERVICES, INC.

By: */s/ Mary Ann E. Moore*
Mary Ann E. Moore
Executive Vice President, General Counsel & Secretary

EMPLOYEE:

By: */s/ C. Marc Richards*
C. Marc Richards

PEDIATRIX MEDICAL GROUP, INC.

By: */s/ Shirley A. Weis*
Shirley A. Weis
Chair, Compensation and Talent Committee

EXHIBIT A

BUSINESS OF EMPLOYER

As of the date hereof, Employer, directly or through its affiliates, provides professional medical services and all aspects of practice management services in medical practice areas that include, but are not limited to, the following (collectively referred to herein as "**Employer's Business**"):

(1) Neonatology, including hospital well baby care;
(2) Maternal-Fetal Medicine, including general obstetrics services;
(3) Pediatric Cardiology;
(4) Pediatric Intensive Care, including Pediatric Hospitalist Care;
(5) Newborn hearing screening services;
(6) Pediatric Surgery;
(7) Pediatric Emergency Medicine; and
(8) Pediatric Primary and/or Urgent Care Centers.

References to Employer's Business in this Agreement shall include such other medical service lines, practice management services and other businesses in which Employer is engaged during the Employment Period; *provided,* that to be considered a part of Employer's Business, Employer must have engaged in such other service line, practice management service or other business at least six (6) months prior to the termination date of this Agreement. For purposes of this Exhibit A, businesses of Employer shall include the businesses conducted by Employer's subsidiaries, entities under common control and affiliates as defined under Rule 144 of the Securities Act of 1933, as amended. Such affiliates shall include the professional corporations and associations whose operating results are consolidated with Employer for financial reporting purposes.

Notwithstanding the foregoing, Employer acknowledges and agrees to the following exceptions and clarifications regarding the scope of Employer's Business.

A. *Hospital Services.* Employer and Employee acknowledge that, as of the date hereof, Employer does not currently operate hospitals, hospital systems or universities. Nevertheless, the businesses of hospitals, hospital systems and universities would be the same as Employer's Business where such hospitals, hospital systems or universities provide or contract with others to provide some or all of the medical services included in Employer's Business. Therefore, the parties desire to clarify their intent with respect to the limitations on Employee's ability to work for or contract with others to provide services for a hospital, hospital system or university during the Employment Period and during the Restricted Period. Section 8.1 shall not be deemed to restrict Employee's ability to work for a hospital, hospital system or university if the hospital, hospital system or university does not provide any of the medical services included in Employer's Business. Furthermore, even if a hospital, hospital system or university provides medical services that are included in Employer's Business, Employee may work for such hospital, hospital system or university if Employee has no direct supervisory responsibility for or involvement in the hospital's, hospital system's or university's provision of medical services that are Employer's Business. For the avoidance of doubt, Employer and Employee agree that if Employee becomes

the Chief Operating Officer, Chief Legal Officer, Chief Compliance Officer, General Counsel or Chief Executive Officer of a hospital system or health system, or other executive officer of similar level to the foregoing, that Employee shall not be in breach of the provisions of this Agreement. Finally, Employer agrees that Employee may hold direct supervisory responsibility for or be involved in the medical services of a hospital, hospital system or university that are included in Employer's Business so long as such hospital, hospital system or university is located at least ten (10) miles from a medical practice owned or operated by Employer or its affiliate. Subject to paragraph B below, the provisions of this paragraph shall not apply to the extent that, after the date hereof, Employer enters into the business of operating a hospital or hospital system.

B. *De Minimus Exception.* Employer agrees that a medical service line (other than those listed in items (1) through (8) above), practice management service or other business in which Employer is engaged shall not be considered to be a part of Employer's Business if such medical service line, practice management service or other business constitutes less than three percent (3%) of Employer's annual revenues.

C. *Divested Lines of Service.* Employer agrees that any medical service line (including those listed in items (1) through (8) above), practice management, or other business in which Employer is engaged that is divested pursuant to a disposition, sale of assets or equity, or otherwise after the Effective Date shall not be considered to be a part of Employer's Business effective as of the effective date of such divestiture.

D. *Certain Ownership Interests.* It shall not be deemed to be a violation of Section 8.1 for Employee to: (i) own, directly or indirectly, one percent (1%) or less of a publicly-traded entity that has a market capitalization of $1 billion or more; (ii) own, directly or indirectly, five percent (5%) or less of a publicly-traded entity that has a market capitalization of less than $1 billion; or (iii) own, directly or indirectly, less than ten percent (10%) of a privately-held business or company, if Employee is at all times a passive investor with no board representation, management authority or other special rights to control operations of such business or company.

EXHIBIT B

FORM OF RELEASE

GENERAL RELEASE OF CLAIMS

1. C. Marc Richards ("Employee"), for himself or herself and his or her family, heirs, executors, administrators, legal representatives and their respective successors and assigns, in exchange for the consideration received pursuant to Section 4.[●] of that certain Amended and Restated Employment Agreement, dated as of April ____, 2023, by and between Employee and Employer, to which this release is attached as Exhibit B (the "Employment Agreement"), does hereby release and forever discharge PMG Services, Inc. ("Employer"), its subsidiaries, affiliated companies, successors and assigns, and its current or former directors, officers, employees, shareholders or agents in such capacities (collectively with Employer, the "Released Parties") from any and all actions, causes of action, suits, controversies, claims and demands whatsoever, for or by reason of any matter, cause or thing whatsoever, whether known or unknown including, but not limited to, all claims under any applicable laws arising under or in connection with Employee's employment or termination thereof, whether for discrimination, harassment, retaliation, tort, breach of express or implied employment contract, wrongful discharge, intentional infliction of emotional distress, or defamation or injuries incurred on the job or incurred as a result of loss of employment. Employee acknowledges that Employer encouraged Employee to consult with an attorney of Employee's choosing, and through this General Release of Claims encourages Employee to consult with Employee's attorney with respect to possible claims under the Age Discrimination in Employment Act ("ADEA") and that Employee understands that the ADEA is a Federal statute that, among other things, prohibits discrimination on the basis of age in employment and employee benefits and benefit plans. Without limiting the generality of the release provided above, Employee expressly waives any and all claims under ADEA that Employee may have as of the date hereof. Employee further understands that by signing this General Release of Claims Employee is in fact waiving, releasing and forever giving up any claim under the ADEA as well as all other laws within the scope of this paragraph 1 that may have existed on or prior to the date hereof. Notwithstanding anything in this paragraph 1 to the contrary, this General Release of Claims shall not apply to (i) any actions to enforce rights to receive any payments or benefits which may be due Employee pursuant to Section 4.[●] of the Employment Agreement, or under any of Employer's employee benefit plans, (ii) any rights or claims that may arise as a result of events occurring after the date this General Release of Claims is executed, (iii) any indemnification rights Employee may have as a former officer or director of Employer or its subsidiaries or affiliated companies, (iv) any claims for benefits under any directors' and officers' liability policy maintained by Employer or its subsidiaries or affiliated companies in accordance with the terms of such policy, (v) any rights as a holder of equity securities of Employer, (vi) any claims that cannot be waived as a matter of law, (vii) any claims Employee may have to government-sponsored and administered benefits such as unemployment insurance, workers' compensation insurance (excluding claims for retaliation under workers' compensation laws), state disability insurance, and paid family leave benefits, and (viii) any benefits that vested on or prior to the termination date pursuant to a written benefit plan sponsored by Employer and governed by the federal law known as "ERISA".

2. Employee represents that Employee has not filed against the Released Parties any complaints, charges, or lawsuits arising out of Employee's employment, or any other matter arising on or prior to the date of this General Release of Claims, and covenants and agrees that Employee will never individually or with any person file, or commence the filing of, any charges, lawsuits, complaints or proceedings with any governmental agency, or against the Released Parties with respect to any of the matters released by Employee pursuant to paragraph 1 hereof (a "Proceeding"), provided, however, Employee retains the right to commence a Proceeding to challenge whether Employee knowingly and voluntarily waived Employee's rights under ADEA.

3. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement or any other agreement between Employer and Employee shall prevent Employee from filing a charge, sharing information and communicating in good faith, without prior notice to Employer, with any federal government agency having jurisdiction over Employer or its operations, and cooperating in any investigation by any such federal government agency; however, to the maximum extent permitted by law, Employee agrees that if such an administrative claim is made, Employee shall not be entitled to recover any individual monetary relief or other individual remedies, provided that, for purposes of clarity, this limitation on monetary recovery does not apply to whistleblower proceedings before the United States Securities and Exchange Commission.

4. Employee hereby acknowledges that Employer has informed Employee that Employee has up to twenty-one (21) days to sign this General Release of Claims and Employee may knowingly and voluntarily waive that twenty-one (21) day period by signing this General Release of Claims earlier. Employee also understands that Employee shall have seven (7) days following the date on which Employee signs this General Release of Claims within which to revoke it by providing a written notice of Employee's revocation to Employer.

5. Employee acknowledges that this General Release of Claims will be governed by and construed and enforced in accordance with the internal laws of the State of Florida applicable to contracts made and to be performed entirely within such State.

6. Employee acknowledges that Employee has read this General Release of Claims, that Employee has been advised that Employee should consult with an attorney before Employee executes this general release of claims, and that Employee understands all of its terms and executes it voluntarily and with full knowledge of its significance and the consequences thereof.

7. This General Release of Claims shall take effect on the eighth day following Employee's execution of this General Release of Claims unless Employee's written revocation is delivered to Employer within seven (7) days after such execution.

[DO NOT SIGN]

_____, 20

SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT

THIS SECOND AMENDED AND RESTATED EMPLOYMENT AGREEMENT (this "Agreement") is made and entered into by and between **PMG SERVICES, INC.** (f/k/a Mednax Services, Inc.), a Florida corporation ("Employer"), and **MARY ANN E. MOORE** ("Employee") on April 26, 2023 (the "Effective Date").

RECITALS

WHEREAS, Employer is presently engaged in "Employer's Business" as defined on Exhibit A hereto;

WHEREAS, Employer desires to continue employing Employee and benefit from Employee's contributions to Employer; and

WHEREAS, Employer and Employee previously entered in an Amended and Restated Employment Agreement dated February 15, 2022, which will be superseded in its entirety upon the execution of this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants and premises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Employer and Employee hereby agree as follows:

1. Employment.

1.1 *Employment and Term*. Employer hereby agrees to employ Employee and Employee hereby agrees to serve Employer on the terms and conditions set forth herein for an "Initial Term" commencing as of the Effective Date and continuing for a period of three (3) years, unless sooner terminated as hereinafter set forth. Thereafter, the employment of Employee hereunder shall automatically renew for successive one (1) year periods until terminated in accordance herewith. The Initial Term and any automatic renewals shall be referred to as the "Employment Period."

1.2 *Duties of Employee*. As of the Effective Date and thereafter during the remaining Employment Period, Employee shall serve as Executive Vice President, General Counsel and Secretary of Employer and Pediatrix Medical Group, Inc., a Florida corporation and the parent corporation of Employer ("Pediatrix"), and perform such duties as are customary to the position Employee holds or as may be assigned to Employee from time to time by the most senior executive officer of Pediatrix ("Employee's Supervisor") or the Board of Directors of Pediatrix (the "Board") including, but not limited to, also serving as an officer and/or director, or equivalent, of subsidiaries and/or affiliates of Pediatrix; *provided,* that such duties as assigned shall be customary to Employee's role as an executive officer of Employer and Pediatrix. Employee's employment shall be full-time and, as such, Employee agrees to devote substantially all of Employee's attention and professional time to the business and affairs of Employer and Pediatrix. Employee shall perform Employee's duties honestly, diligently, competently, in good faith and in the best interest of Employer and Pediatrix. During the Employment Period, Employee agrees that Employee will not, without the prior written consent of Employer (which consent shall not be unreasonably withheld), serve as a director on a corporate board of directors or in any other similar

capacity for any institution other than Employer and Pediatrix, and their respective subsidiaries and affiliates in accordance with this Section 1.2. During the Employment Period, it shall not be a violation of this Agreement to (i) serve on civic or charitable boards or committees, or (ii) deliver lectures, fulfill speaking engagements or teach at educational institutions, so long as such activities have been approved by Employee's Supervisor and do not interfere with the performance of Employee's responsibilities as an employee of Employer in accordance with this Agreement, including the restrictions of Section 8 hereof.

1.3 *Place of Performance*. Employee shall be based at Employer's offices located in Sunrise, Florida, except for required travel relating to Employer's Business.

2. Base Salary and Performance Bonus.

2.1 *Base Salary*. Employer shall pay Employee during the Employment Period an annual salary of Four Hundred and Seventy-Five Thousand Dollars ($475,000) (the "Base Salary"), payable in accordance with Employer's normal business practices for senior executives (including tax withholding), but in no event less frequently than monthly. Employee's Base Salary shall be reviewed at least annually by the Compensation and Talent Committee of the Board (the "Compensation and Talent Committee") and may be increased in its discretion. After any such increase in Base Salary, the term "Base Salary" shall refer to the increased amount.

2.2 *Performance Bonus*. Employee shall be eligible to receive a cash bonus (the "Performance Bonus") for each year (or prorated with respect to any partial years of employment) during the Employment Period, provided that, except as otherwise provided herein, Employee has remained employed by Employer as of the end of the applicable year (or as of the end of the Employment Period for the final calendar year of the Employment Period). Employee's target bonus opportunity for any particular year ("Target Bonus") shall be one hundred percent (100%) of Base Salary. The amount of bonus payable to Employee for any particular year will be determined by the Compensation and Talent Committee, in its sole discretion, taking into account the performance of Employer and Employee for that particular year (or portion thereof). All such bonuses shall be paid no later than March 15th of the calendar year immediately following the calendar year in which it is earned.

3. Benefits.

3.1 *Expense Reimbursement*. Employer shall promptly reimburse Employee for all out-of-pocket expenses reasonably incurred by Employee during the Employment Period on behalf of or in connection with Employer's Business pursuant to the reimbursement standards and guidelines of Employer in effect from time to time, including reimbursement for appropriate professional organizations. Employee shall account for such expenses and submit reasonable supporting documentation in accordance with Employer's policies in effect from time to time.

3.2 *Employee Benefits*. During the Employment Period, Employee shall be entitled to participate in such health, welfare, disability, retirement savings and other fringe benefit plans and programs (subject to the terms and conditions of such plans and programs) as may be provided from time to time to employees of Employer and to the extent that such plans and programs are applicable to other similarly situated employees of Employer.

3.3 *Leave Time*. During the Employment Period, Employee shall be entitled to paid vacation and leave days each calendar year in accordance with the leave policies established by Employer from time to time. Any leave time not used during each fiscal year of Employer may be carried over into the next year to the extent permitted by Employer policy.

3.4 *Equity Plans.* During the Employment Period, the Chief Executive Officer of Pediatrix shall recommend to the Compensation and Talent Committee that Employee receive, on an annual basis following the Effective Date, and at the same time as other executive officers of Employer, grants of awards (each an "Equity Award") pursuant to Pediatrix's Amended and Restated 2008 Incentive Compensation Plan, as amended (the "2008 Plan"), or any other similar plan adopted by Pediatrix (together with the 2008 Plan, each an "Equity Plan"), with a grant value determined by the Compensation and Talent Committee in the same manner as for other executive officers of Employer. Every Equity Award made to Employee shall be subject to the terms and conditions of this Agreement and the terms of the applicable Equity Plan and shall be made subject to an award agreement that is consistent with terms applicable to other executive officers of Employer. Notwithstanding any contrary provision in this Agreement or any Equity Plan then maintained by Pediatrix, if Employee remains continuously employed with Employer through the date of a Change in Control (as defined in the Equity Plan pursuant to which the Equity Award is issued, provided that such event constitutes a "change in the ownership or effective control of the corporation, or in the ownership of a substantial portion of the assets of the corporation" as defined in Section 409A of the Internal Revenue Code of 1986, as amended (the "Code"), as necessary to avoid penalties under Section 409A of the Code that are applicable to an Equity Award), then upon such Change in Control (i) all time-based Equity Awards granted to Employee by Pediatrix shall immediately become fully vested, non-forfeitable and, if applicable, exercisable and (ii) all performance-based Equity Awards, if any, for which the applicable performance condition has been met at the time of such Change in Control shall immediately become fully vested, non-forfeitable and, if applicable, exercisable. For purposes of clarification, except as otherwise provided in an applicable award agreement, the vesting of any performance-based Equity Awards for which the performance condition has not been met at the time of such Change in Control shall not be accelerated or otherwise modified pursuant to this Section 3.4 but such Equity Awards may nonetheless be accelerated or otherwise modified as determined by the Compensation and Talent Committee of Pediatrix under the terms of the Equity Plan.

4. Termination; Compensation and Benefits Upon Termination.

4.1 *Termination for Cause*. Employer may terminate Employee's employment under this Agreement for Cause (as defined below). The termination date for a termination of Employee's employment under this Agreement pursuant to this Section 4.1 shall be the date specified by Employer in a written notice to Employee of finding of Cause. If Employee's employment is terminated for Cause, Employer shall pay (i) Employee's Base Salary through the termination date at the rate in effect at the termination date, (ii) reimbursement for reasonable business expenses incurred prior to the termination date, subject to Employer policy and the provisions of Section 3.1 hereof, and (iii) vacation payout and any other benefits that are vested benefits under applicable Employer benefit plans or that are required by applicable law (the foregoing clauses (i)-(iii), the "Accrued Obligations").

4.2 *Disability*. Employer may terminate Employee's employment under this Agreement upon the Disability (as defined below) of Employee. The termination date for a termination of this Agreement pursuant to this Section 4.2 shall be the date specified by Employer in a notice to Employee. In the event of Employee's Disability, (i) Employee shall continue to receive Employee's Base Salary for ninety (90) days under the Employer's short term disability policy, which may be amended or modified in the Employer's discretion upon written notice to Employee (the "Initial Disability Period"), and (ii) following such Initial Disability Period, if Employee's Disability continues, the Employer may terminate Employee's employment immediately upon written notice. If Employee's employment is terminated in connection with Employee's Disability, in addition to the Accrued Obligations and subject to and conditioned on Employee's compliance with the terms of Section 5 hereof, Employee shall be eligible to receive (A) a bonus with respect to Employer's fiscal year in which the termination date occurs, equal to Employee's minimum Target Bonus for the year of termination, multiplied by the number of days in the fiscal year prior to and including the date of termination and divided by three hundred sixty five (365) (a "Pro-Rated Bonus") payable within thirty (30) days of the termination date; and (B) all time-based Equity Awards granted to Employee by Pediatrix prior to termination of Employee's employment shall immediately become fully vested, non-forfeitable and, if applicable, exercisable, and all performance-based shares awards, if any, shall remain outstanding and shall vest based upon actual performance determined at the end of the applicable performance period (the "Equity Acceleration"), except as set forth in the award agreement.

4.3 *Death*. Employee's employment under this Agreement shall terminate automatically upon the death of Employee, without any requirement of notice by Employer to Employee's estate. The date of Employee's death shall be the termination date for a termination of Employee's employment under this Agreement pursuant to this Section 4.3. Upon Employee's death during the Employment Period, Employer shall pay or provide to the person or entity designated by Employee in a notice filed with Employer or, if no person is designated, to Employee's estate (i) the Accrued Obligations; (ii) a Pro-Rated Bonus; and (iii) the Equity Acceleration, except as set forth in the award agreement.

4.4 *Termination by Employer Without Cause*. Employer may terminate Employee's employment under this Agreement without Cause by giving Employee written notice of such termination. The termination date shall be the date specified by Employer in such notice, which may be up to ninety (90) days from the date of such notice. Upon any termination of Employee's employment without Cause pursuant to this Section 4.4, in addition to the Accrued Obligations and subject to and conditioned on Employee's compliance with the terms of Section 5 hereof, Employee shall be eligible to receive: (i) a Pro-Rated Bonus; (ii) severance payments equivalent to Employee's monthly Base Salary for a period of twenty-four (24) months after the termination date (the "Severance Period"), payable in installments in Employer's normal payroll; (iii) continuation of health, medical, hospitalization and other similar health insurance programs on the same basis as regular, full-time employees of Employer and their eligible dependents during the Severance Period (or, at Employer's option, Employer may provide health insurance to Employee and Employee's eligible dependents through an insurance carrier(s) selected by Employer in lieu of providing the foregoing coverage, provided the coverage afforded by such insurance is substantially comparable to the foregoing coverage, and Employee shall pay the cost of such insurance up to the amount that would have been paid by Employee under the foregoing coverage and Employer shall pay the excess cost, if any); (iv) an amount equal to the greater of

(A) 1.5 times Employee's Average Annual Performance Bonus (as defined below) or (B) 1.5 times Employee's Target Bonus amount, payable within sixty (60) days of the termination date; and (v) the Equity Acceleration.

4.5 *Termination by Employee without Good Reason*. Employee may terminate Employee's employment under this Agreement without Good Reason (as defined below) upon not less than ninety (90) days prior written notice to Employer. Upon receipt of such notice from Employee, Employer may, at its option, accelerate the effective date of Employee's termination of employment at any time in advance of the expiration of such ninety (90) day period (which acceleration shall not constitute Good Reason or a termination by Employer without Cause). The termination date under this Section 4.5 shall be the date specified by Employer, but in no event more than ninety (90) days after Employer's receipt of notice from Employee as contemplated by this Section 4.5. Upon any termination of Employee's employment under this Agreement pursuant to this Section 4.5, Employee shall be entitled to the Accrued Obligations.

4.6 *Termination by Employee for Good Reason.* Employee may terminate Employee's employment hereunder for Good Reason. If Employee desires to terminate Employee's employment under this Agreement pursuant to this Section 4.6, Employee must, within ninety (90) days after the occurrence of events giving rise to the Good Reason, provide Employer with a written notice describing the Good Reason in reasonable detail. If Employer fails to cure the matter cited within thirty (30) days after the date of Employee's notice, then this Agreement shall terminate as of the end of such thirty (30) day cure period, provided, however, that Employer may, at its option, require Employee to terminate employment at any time in advance of the expiration of such thirty (30) day cure period. If Employee's employment under this Agreement is terminated pursuant to this Section 4.6, then Employee shall be eligible to receive the same payments and benefits, subject to the same conditions, for a termination without Cause as set forth in Section 4.4 hereof.

4.7 *Continuation of Benefit Plans*. Following any termination that results in the expiration of Employee's continued benefit plan coverage, Employee and each of Employee's eligible dependents shall be entitled to elect for continuation of coverage provided pursuant to COBRA.

4.8 *Continuing Obligations*. The obligations imposed on Employee with respect to non-competition, non-solicitation, confidentiality, non-disclosure and assignment of rights to inventions or developments in this Agreement or any other agreement executed by the parties shall continue, notwithstanding the termination of the employment relationship between the parties and regardless of the reason for such termination.

5. Conditions to Severance; Certain Definitions.

5.1 *Release.* Employer shall provide Employee with a general release in the form attached as Exhibit B (subject to such modifications as Employer may reasonably request) (the "Release") within seven (7) days after Employee's termination date. Payments or benefits to which Employee may be entitled pursuant to Section 4 hereof (other than the Accrued Obligations) (the "Severance Amounts") shall be conditioned upon (i) Employee executing the Release within twenty one (21) days after receiving it from Employer (or such longer period as may be set forth

in the Release) and the Release becoming irrevocable upon the expiration of seven (7) days following Employee's execution of it, (ii) Employee agreeing to submit to a reasonable exit interview if requested by Employer, and (iii) Employee's compliance with all post-termination obligations to Employer and its subsidiaries and affiliates and surrendering to Employer all proprietary or confidential information and articles belonging to Employer or its subsidiaries or affiliates. Payment of the Severance Amounts shall be suspended during the period (the "Suspension Period") that begins on Employee's termination date and ends on the date ("Suspension Termination Date") that is at least forty-five (45) days after Employee's termination date; provided, however, that this suspension shall not apply, and Employer shall be required to provide, any continued health insurance coverage (or COBRA reimbursement) that would be required under Section 4 hereof during the Suspension Period. If Employee executes the Release and the Release becomes irrevocable by no later than the Suspension Termination Date, then payment of any Severance Amounts that were suspended pursuant to this provision shall be made in the first payroll period that follows the Suspension Termination Date, and any Severance Amounts that are payable after the Suspension Termination Date shall be paid at the times provided in Section 4 hereof.

5.2 *Certain Definitions*. As used in this Agreement:

(a) "Average Annual Performance Bonus" shall mean an amount equal to the average of the percentage of the Performance Bonus target achieved by Employee for the three (3) full calendar years prior to the termination date (or such lesser period as Employee may have been employed by Employer), and calculated based on Employee's Base Salary and Target Bonus in Employee's current position. For illustration purposes, if Employee earned 40%, 100% and 70% of Employee's Target Bonus in each of the three full calendar years prior to termination, and Employee's current Target Bonus was 100% of Base Salary, and Base Salary was $450,000.00, then Employee's Average Annual Performance Bonus would equal $315,000.00. ((40%+ 100% + 70%) / 3 x 100% x $450,000.00 = $315,000.00).

(b) "Cause" shall mean the occurrence of any of: (i) Employee's engagement in (A) willful misconduct resulting in material harm to Pediatrix or Employer, or (B) gross negligence; (ii) Employee's conviction of, or pleading nolo contendere to, a felony or any other crime involving fraud, financial misconduct, or misappropriation of Employer's assets; (iii) Employee's willful and continual failure, after written notice from Employee's Supervisor or the Board to (A) perform substantially Employee's employment duties consistent with Employee's position and authority, or (B) follow, consistent with Employee's position, duties, and authorities, the reasonable lawful mandates of Employee's Supervisor or the Board; (iv) Employee's failure or refusal to comply with a reasonable policy, standard or regulation of Employer in any material respect, including but not limited to Employer's sexual harassment, other unlawful harassment, workplace discrimination or substance abuse policies; or (v) Employee's breach of Section 8.4 hereof resulting in material harm to Pediatrix or Employer. No act or omission shall be deemed willful or grossly negligent for purposes of this definition if taken or omitted to be taken by Employee in a good faith belief that such act or omission to act was in the best interests of Employer or Pediatrix or if done at the express direction of the Board.

(c) Subject to the requirements of applicable law, "Disability" shall mean (i) Employee's inability to perform Employee's duties hereunder, with or without a reasonable

accommodation, as a result of physical or mental illness or injury, and (ii) a determination by an independent qualified physician selected by Employer and acceptable to Employee (which acceptance shall not be unreasonably withheld) that Employee is currently unable to perform such duties and in all reasonable likelihood such inability will continue for a period in excess of an additional ninety (90) or more days in any one hundred twenty (120) day period.

(d) "Good Reason" shall mean: (i) a material decrease in Employee's Base Salary; (ii) a material decrease in Employee's Target Bonus opportunity; (iii) Employee is assigned any position, duties, responsibilities or compensation that is materially inconsistent with the position, duties, or responsibilities of Employee contemplated herein as of the Effective Date, it being understood that these roles and positions are evolving and responsibilities may change over time and, excluding for this purpose any isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of written notice; (iv) Employee experiences a material diminution in Employee's authorities, duties or responsibilities, it being understood that these roles and positions are evolving and responsibilities may change over time and excluding for this purpose any isolated and inadvertent action not taken in bad faith and which is remedied by Employer promptly after receipt of written notice; (v) Employee is required to report to any person other than the senior most executive officer of Pediatrix, the Board, or a duly constituted committee thereof, or there is a material diminution in the authority, duties or responsibilities of the senior most executive officer of Pediatrix; (vi) the requirement by Employer that Employee be based in any office or location outside of the metropolitan area where Employee resides or where Employer's headquarters resides as of the Effective Date, except for travel reasonably required in the performance of Employee's duties; or (vii) any other action or inaction that constitutes a material breach of this Agreement by Employer.

6. Successors; Binding Agreement.

6.1 *Successors*. Employer shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) acquiring a majority of Employer's voting common stock or any other successor to all or substantially all of the business and/or assets of Employer to expressly assume and agree to perform this Agreement in the same manner and to the same extent that Employer would be required to perform it if no such succession had taken place and Employee hereby consents to any such assignment. In such event, "Employer" shall mean Employer as previously defined and any successor to its business and/or assets which executes and delivers the agreement provided for in this Section 6 or which otherwise becomes bound by all the terms and provisions of this Agreement by operation of law. This Section 6.1 shall not limit Employee's ability to terminate this Agreement in the circumstances described in Section 4.6 hereof.

6.2 *Benefit*. This Agreement and all rights of Employee under this Agreement shall inure to the benefit of and be enforceable by Employee's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. If Employee should die after the termination date and amounts would have been payable to Employee under this Agreement if Employee had continued to live, including under Section 5 hereof, then such amounts shall be paid to Employee's devisee, legatee, or other designee or, if there is no such designee, Employee's estate.

7. Conflicts. Except as otherwise provided in this Agreement, this Agreement constitutes the entire agreement among the parties pertaining to the subject matter hereof, and supersedes and revokes any and all prior or existing agreements, written or oral, relating to the subject matter hereof, and this Agreement shall be solely determinative of the subject matter hereof.

8. Restrictive Covenants; Confidential Information; Work Product; Injunctive Relief.

8.1 *No Material Competition*. Employer and Employee acknowledge and agree that a strong relationship and connection exists between Employer and its current and prospective patients, referral sources, and customers as well as the hospitals and healthcare facilities at which it provides professional services. Employer and Employee further acknowledge and agree that the restrictive covenants described in this Section are designed to enforce, and are ancillary to or part of, the promises contained in this Agreement and are reasonably necessary to protect the legitimate interests of Employer in the following: (1) the use and disclosure of the Confidential Information as described in Section 8.4 hereof; (2) the professional development activities described in Section 1.2 hereof; and (3) the goodwill of Employer, as promoted by Employee as provided in Section 1.2 hereof. The foregoing listing is by way of example only and shall not be construed to be an exclusive or exhaustive list of such interests. Employee acknowledges that the restrictive covenants set forth below are of significant value to Employer and were a material inducement to Employer in agreeing to the terms of this Agreement. Employee further acknowledges that the goodwill and other proprietary interest of Employer will suffer irreparable and continuing damage in the event Employee enters into competition with Employer in violation of this Section.

Therefore, Employee agrees that, except with respect to services performed under this Agreement on behalf of Employer, **Employee shall not**, at any time during the Restricted Period (as defined below), for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly participate or engage in or own an interest in, directly or indirectly, any individual proprietorship, partnership, corporation, joint venture, trust or other form of business entity, whether as an individual proprietor, partner, joint venturer, officer, director, member, employee, consultant, independent contractor, stockholder, lender, landlord, finder, agent, broker, trustee, or in any manner whatsoever, if such entity or its affiliates is engaged in, directly or indirectly, "Employer's Business," as defined on Exhibit A hereto. Employee acknowledges that, as of the date hereof, Employee's responsibilities will include matters affecting the businesses of Employer listed on Exhibit A. For purposes of this Section 8, the "Restricted Period" shall mean the Employment Period plus (i) eighteen (18) months in the event this Agreement is terminated pursuant to Section 4.1 hereof, and (ii) twenty-four (24) months in the event the Agreement is terminated for any other reason.

8.2 *No Hire*. Employee further agrees that **Employee shall not**, at any time during the Employment Period and for a period of eighteen (18) months immediately following termination of this Agreement for any reason, for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly employ, or intentionally, knowingly, or willingly permit any company or business directly or indirectly controlled by Employee to (a) employ or otherwise engage (i) any person who is a then current employee or exclusive independent contractor of Employer or one of its affiliates, or (ii) any person

who was an employee or exclusive independent contractor of Employer or one of its affiliates in the prior six (6) month period, or (b) take any action that would reasonably be expected to induce an employee or independent contractor of Employer or one of its affiliates to leave his or her employment or engagement with Employer or one of its affiliates (including without limitation for or on behalf of a subsequent employer of Employee).

8.3 *Non-Solicitation.* Employee further agrees that **Employee shall not**, at any time during the Employment Period and for a period of eighteen (18) months immediately following termination of this Agreement for any reason, for Employee or on behalf of any other person, persons, firm, partnership, corporation or employer, intentionally, knowingly, or willingly solicit or accept business from or take any action that would reasonably be expected to materially interfere with, diminish or impair the valuable relationships that Employer or its affiliates have with (i) hospitals or other health care facilities with which Employer or its affiliates have contracts to render professional services or otherwise have established relationships, (ii) patients, (iii) referral sources, (iv) vendors, (v) any other clients of Employer or its affiliates, or (vi) prospective hospitals, patients, referral sources, vendors or clients whose business Employee was aware that Employer or any affiliate of Employer was in the process of soliciting at the time of Employee's termination (including potential acquisition targets).

8.4 *Confidential Information*. At all times during the term of this Agreement, Employer shall provide Employee with access to "Confidential Information." As used in this Agreement, the term "Confidential Information" means any and all confidential, proprietary or trade secret information, whether disclosed, directly or indirectly, verbally, in writing or by any other means in tangible or intangible form, including that which is conceived or developed by Employee, applicable to or in any way related to: (i) patients with whom Employer has a physician/patient relationship; (ii) the present or future business of Employer; or (iii) the research and development of Employer. Without limiting the generality of the foregoing, Confidential Information includes: (a) the development and operation of Employer's medical practices, including information relating to budgeting, staffing needs, marketing, research, hospital relationships, equipment capabilities, and other information concerning such facilities and operations and specifically including the procedures and business plans developed by Employer for use at the hospitals where Employer conducts its business; (b) contractual arrangements between Employer and insurers or managed care associations or other payors; (c) the databases of Employer; (d) the clinical and research protocols of Employer, including coding guidelines; (e) the referral sources of Employer; (f) other confidential information of Employer that is not generally known to the public that gives Employer the opportunity to obtain an advantage over competitors who do not know or use it, including the names, addresses, telephone numbers or special needs of any of its patients, its patient lists, its marketing methods and related data, lists or other written records used in Employer's business, compensation paid to employees and other terms of employment, accounting ledgers and financial statements, contracts and licenses, business systems, business plan and projections, and computer programs. The parties agree that, as between them, this Confidential Information constitutes important, material, and confidential trade secrets that affect the successful conduct of Employer's business and its goodwill. Employer acknowledges that the Confidential Information specifically enumerated above is special and unique information and is not information that would be considered a part of the general knowledge and skill Employee has or might otherwise obtain.

Notwithstanding the foregoing, Confidential Information shall not include any information that (i) was known by Employee from a third party source before disclosure by or on behalf of Employer, (ii) becomes available to Employee from a source other than Employer that is not, to Employee's knowledge, bound by a duty of confidentiality to Employer, (iii) becomes generally available or known in the industry other than as a result of its disclosure by Employee, or (iv) has been independently developed by Employee and may be disclosed by Employee without breach of this Agreement, provided, in each case, that Employee shall bear the burden of demonstrating that the information falls under one of the above-described exceptions. Pursuant to the Defend Trade Secrets Act of 2016, Employee acknowledges that Employee shall not have criminal or civil liability under any federal or state trade secret law for the disclosure of a trade secret that (A) is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. In addition, if Employee files a lawsuit for retaliation by Employer for reporting a suspected violation of law, Employee may disclose the trade secret to Employee's attorney and may use the trade secret information in the court proceeding, if Employee (X) files any document containing the trade secret under seal and (Y) does not disclose the trade secret, except pursuant to court order.

Additionally, notwithstanding anything herein to the contrary, nothing in this Agreement or any other agreement between Employer and Employee shall prevent Employee from filing a charge, sharing information and communicating in good faith, without prior notice to Employer, with any federal government agency having jurisdiction over Employer or its operations, and cooperating in any investigation by any such federal government agency.

Unless disclosure is otherwise required by applicable law or stock exchange rules, Employee agrees that the terms of this Agreement shall be deemed Confidential Information for purposes of this Section. Employee shall keep the terms of this Agreement strictly confidential and will not, without the prior written consent of Employer, disclose the details of this Agreement to any third party in any manner whatsoever in whole or in part, with the exception of Employee's representatives (such as tax advisors and attorneys) who need to know such information.

Employee agrees that Employee will not at any time, whether during or subsequent to the term of Employee's employment with Employer, in any fashion, form or manner, unless specifically consented to in writing by Employer, either directly or indirectly, use or divulge, disclose, or communicate to any person, firm or corporation, in any manner whatsoever, any Confidential Information of any kind, nature, or description, subject to applicable law. The parties agree that any breach by Employee of any term of this Section 8.4 resulting in material harm to Pediatrix or Employer is a material breach of this Agreement and shall constitute "Cause" for the termination of Employee's employment hereunder pursuant to Section 4.1 hereof. In the event that Employee is ordered to disclose any Confidential Information, whether in a legal or a regulatory proceeding or otherwise, Employee shall provide Employer with prompt written notice of such request or order so that Employer may seek to prevent disclosure or, if that cannot be achieved, the entry of a protective order or other appropriate protective device or procedure in order to assure, to the extent practicable, compliance with the provisions of this Agreement. In the case of any disclosure required by law, Employee shall disclose only that portion of the

Confidential Information that Employee is ordered to disclose in a legally binding subpoena, demand or similar order issued pursuant to a legal or regulatory proceeding.

All Confidential Information, and all equipment, notebooks, documents, memoranda, reports, files, samples, books, correspondence, lists, other written and graphic records, in any media (including electronic or video) containing Confidential Information or relating to the business of Employer, which Employee shall prepare, use, construct, observe, possess, or control shall be and remain Employer's sole property (collectively "Employer Property"). Upon termination or expiration of this Agreement, or earlier upon Employer's request, Employee shall promptly deliver to Employer all Employer Property, retaining none.

8.5 *Ownership of Work Product.* Employee agrees and acknowledges that (i) all copyrights, patents, trade secrets, trademarks, service marks, or other intellectual property or proprietary rights associated with any ideas, concepts, techniques, inventions, processes, or works of authorship developed or created by Employee during the course of performing work for Employer and any other work product conceived, created, designed, developed or contributed by Employee during the term of this Agreement that relates in any way to Employer's Business (collectively, the "Work Product"), shall belong exclusively to Employer and shall, to the extent possible, be considered a work made for hire within the meaning of Title 17 of the United States Code. To the extent the Work Product may not be considered a work made for hire owned exclusively by Employer, Employee hereby assigns to Employer all right, title, and interest worldwide in and to such Work Product at the time of its creation, without any requirement of further consideration. Upon request of Employer, Employee shall take such further actions and execute such further documents as Employer may deem necessary or desirable to further the purposes of this Agreement, including without limitation separate assignments of all right, title, and interest in and to all rights of copyright and all right, title, and interest in and to any inventions or patents and any reissues or extensions which may be granted therefore, and in and to any improvements, additions to, or modifications thereto, which Employee may acquire by invention or otherwise, the same to be held and enjoyed by Employer for its own use and benefit, and for the use and benefit of Employer's successors and assigns, as fully and as entirely as the same might be held by Employee had this assignment not been made.

8.6 *Clearance Procedure for Proprietary Rights Not Claimed by Employer.* In the event that Employee wishes to create or develop, *other than* on Employer's time or using Employer's resources, anything that may be considered Work Product but to which Employee believes Employee should be entitled to the personal benefit of, Employee agrees to follow the clearance procedure set forth in this Section. Before beginning any such work, Employee agrees to give Employer advance written notice and provide Employer with a sufficiently detailed written description of the work under consideration for Employer to make a determination regarding the work. Unless otherwise agreed in a writing signed by Employer prior to receipt, Employer shall have no obligation of confidentiality with respect to such request or description. Employer will determine in its sole discretion, within thirty (30) days after Employee has fully disclosed such plans to Employer, whether rights in such work will be claimed by Employer. If Employer determines that it does not claim rights in such work, Employer agrees to so notify Employee in writing and Employee may retain ownership of the work to the extent that such work has been expressly disclosed to Employer. If Employer fails to so notify Employee within such thirty (30) day period, then Employer shall be deemed to have agreed that such work is not considered Work

Product for purposes of this Agreement. Employee agrees to submit for further review any significant improvement, modification, or adaptation that could reasonably be related to Employer's Business so that it can be determined whether the improvement, modification, or adaptation relates to the business or interests of Employer. Clearance under this procedure does not relieve Employee of the restrictive covenants set forth in this Section 8.

8.7 *Non-Disparagement.* During the Employment Period and for a period of ten (10) years after the termination of this Agreement, Employee will not, directly or indirectly, as an individual or on behalf of a firm, corporation, partnership or other legal entity, intentionally, knowingly, or willingly make any comment that would reasonably be expected to be materially disparaging or negative to any other person or entity regarding Employer or any of its affiliates, agents, attorneys, employees, officers and directors, Employee's work conditions or circumstances surrounding Employee's separation from Employer or otherwise impugn or criticize the name or reputation of Employer, its affiliates, agents, attorneys, employees, officers or directors, orally or in writing.

8.8 *Review by Employee.* Employee has carefully read and considered the terms and provisions of this Section 8, and having done so, agrees that the restrictions set forth in this Section 8 are fair and reasonably required for the protection of the interests of Employer. In the event that any term or provision set forth in this Section 8 shall be held to be invalid or unenforceable by a court of competent jurisdiction, the parties hereto agree that such invalid or unenforceable term(s) or provision(s) may be severed from this Agreement without, in any manner, affecting the remaining portions hereof. Without limiting other possible remedies available to Employer, Employee agrees that injunctive or other equitable relief will be available to enforce the covenants set forth in this Section 8, such relief to be without the necessity of posting a bond. In the event that, notwithstanding the foregoing, any part of the covenants set forth in this Section 8 shall be held to be invalid, overbroad, or unenforceable by an arbitrator or a court of competent jurisdiction, the parties hereto agree that such invalid, overbroad, or unenforceable provision(s) may be modified or severed from this Agreement without, in any manner, affecting the remaining portions of this Section 8 (all of which shall remain in full force and effect). In the event that any provision of this Section 8 related to time period or areas of restriction shall be declared by an arbitrator or a court of competent jurisdiction to exceed the maximum time period, area or activities such arbitrator or court deems reasonable and enforceable, said time period or areas of restriction shall be deemed modified to the minimum extent necessary to make the geographic or temporal restrictions or activities reasonable and enforceable.

8.9 *Survival; Notice of Breach and Right to Cure.* If Employer reasonably believes that Employee has breached a provision of this Section 8, Employer shall provide prompt written notice thereof to Employee that explains such reasonably believed breach (the "Alleged Breach"). Employer agrees to work in good faith with Employee to provide Employee a reasonable opportunity to promptly cure such Alleged Breach. In the event that Employee, acting in good faith, promptly takes actions that would reasonably be expected to cure the Alleged Breach, including, with respect to a comment made by Employee that Employer reasonably believes is in breach of Section 8.7 hereof, by Employee retracting such comment, then Employee shall be deemed not to be in breach of this Section 8 with respect to the Alleged Breach. Employer and Employee further agree that Employee shall not be deemed to be in breach of any term of Section 8.4 hereof unless such breach results in material harm to Pediatrix or Employer.

The provisions of this Section 8 shall survive the termination of this Agreement and Employee's employment with Employer. In the event of a breach of this Section 8 by Employee, as finally determined pursuant to Section 11 hereof, Employer retains the right to terminate any continuing payments to Employee provided for in Section 4 hereof. In the event of a breach of any provisions of this Section 8 by Employee, as finally determined pursuant to Section 11 hereof, the period for which those provisions would remain in effect shall be extended for a period of time equal to that period beginning when such breach commenced and ending when the activities constituting such breach shall have been finally terminated, in each case as finally determined pursuant to Section 11 hereof. The provisions of this Section 8 are expressly intended to benefit and be enforceable by other affiliated entities of Employer, who are express third party beneficiaries hereof. Employee shall not assist others in engaging in any of the activities described in the foregoing restrictive covenants.

9. Tax Matters

9.1 *Section 409A*

(a) *In General.* The parties intend that this Agreement will be administered in accordance with Section 409A of the Code. To the extent that any provision of this Agreement is ambiguous as to its compliance with Section 409A of the Code, the provision shall be read in such a manner so that all payments hereunder comply with Section 409A of the Code. Each payment pursuant to this Agreement is intended to constitute a separate payment for purposes of Treasury Regulation Section 1.409A-2(b)(2). For purposes of Section 409A of the Code, the right to a series of installment payments under this Agreement shall be treated as a right to a series of separate payments. The parties agree that this Agreement may be amended, as reasonably requested by either party, and as may be necessary to fully comply with Section 409A of the Code and all related rules and regulations in order to preserve the payments and benefits provided hereunder without additional cost to either party. Employer makes no representation or warranty and shall have no liability to Employee or any other person if any provisions of this Agreement are determined to constitute deferred compensation subject to Section 409A of the Code but do not satisfy an exemption from, or the conditions of, Section 409A.

(b) *Six-Month Delay.* Anything in this Agreement to the contrary notwithstanding, if at the time of Employee's separation from service within the meaning of Section 409A of the Code, Employer determines that Employee is a "specified employee" within the meaning of Section 409A(a)(2)(B)(i) of the Code, then to the extent any payment or benefit that Employee becomes entitled to under this Agreement on account of Employee's "separation from service" (within the meaning of Section 409A) that would be considered "non-qualified deferred compensation", such payment shall not be payable and such benefit shall not be provided until the date that is within fifteen (15) days after the end of the six-month period beginning on the date of such "separation from service" or, if earlier, within fifteen (15) days after the appointment of the personal representative or executor of Employee's estate following Employee's death. If any such delayed cash payment is otherwise payable on an installment basis, the first payment shall include a catch-up payment covering amounts that would otherwise have been paid during the six-month period but for the application of this provision, and the balance of the installments shall be payable in accordance with their original schedule.

(c) *Reimbursements*. All in-kind benefits provided and expenses eligible for reimbursement under this Agreement shall be provided by Employer or incurred by Employee during the time periods set forth in this Agreement. All reimbursements shall be paid as soon as administratively practicable, but in no event shall any reimbursement be paid after the last day of the taxable year following the taxable year in which the expense was incurred. The amount of in-kind benefits provided or reimbursable expenses incurred in one taxable year shall not affect the in-kind benefits to be provided or the expenses eligible for reimbursement in any other taxable year (except for any lifetime or other aggregate limitation applicable to medical expenses). Such right to reimbursement or in-kind benefits is not subject to liquidation or exchange for another benefit.

(d) *Separation from Service.* To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and to the extent that such payment or benefit is payable upon Employee's termination of employment, then such payments or benefits shall be payable only upon Employee's "separation from service" as defined under Section 409A. The determination of whether and when a separation from service has occurred shall be made in accordance with the presumptions set forth in Treasury Regulation Section 1.409A-1(h).

(e) *Later Calendar Year*. To the extent that any payment or benefit described in this Agreement constitutes "non-qualified deferred compensation" under Section 409A of the Code, and not otherwise exempt from the application of Section 409A, then, if the period during which Employee may consider and sign the Release or the period in which the Employer can make a severance payment spans two calendar years, any payment or benefit described in this Agreement will not be made or begin until the later calendar year.

9.2 ***Section 280G***. Notwithstanding any other provision of this Agreement or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by Employer or its affiliates to Employee or for Employee's benefit pursuant to the terms of this Agreement or otherwise (the "Covered Payments") constitute parachute payments (the "Parachute Payments") within the meaning of Section 280G of the Code and, but for this Section 9, would be subject to the excise tax imposed under Section 4999 of the Code (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "Excise Tax"), then prior to making the Covered Payments, a calculation shall be made comparing (i) the Net Benefit (as defined below) to Employee of the Covered Payments after payment of the Excise Tax to (ii) the Net Benefit to Employee if the Covered Payments are limited to the extent necessary to avoid being subject to the Excise Tax. Only if the amount calculated under (i) above is less than the amount under (ii) above will the Covered Payments be reduced to the minimum extent necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax (that amount, the "Reduced Amount"). "Net Benefit" shall mean the present value of the Covered Payments net of all federal, state, local, foreign income, employment and excise taxes.

(a) Any such reduction shall be made in accordance with Section 409A and the following: (i) the Covered Payments consisting of cash severance benefits that do not constitute nonqualified deferred compensation subject to Section 409A shall be reduced first, in reverse chronological order; (ii) all other Covered Payments consisting of cash payments, and

Covered Payments consisting of accelerated vesting of equity based awards to which Treas. Reg. § 1.280G-1 Q/A-24(c) does not apply, and that in either case do not constitute nonqualified deferred compensation subject to Section 409A, shall be reduced second, in reverse chronological order; (iii) all Covered Payments consisting of cash payments that constitute nonqualified deferred compensation subject to Section 409A shall be reduced third, in reverse chronological order; and (iv) all Covered Payments consisting of accelerated vesting of equity-based awards to which Treas. Reg. § 1.280G-1 Q/A-24(c) applies shall be the last Covered Payments to be reduced.

(b) Any determination required under this Section 9 shall be made in writing in good faith by an independent accounting firm selected by Employer (the "Accountants"). Employer and Employee shall provide the Accountants with such information and documents as the Accountants may reasonably request in order to make a determination under this Section 9. For purposes of making the calculations and determinations required by this Section 9, the Accountants may rely on reasonable, good-faith assumptions and approximations concerning the application of Section 280G and Section 4999 of the Code. The Accountants' determinations shall be final and binding on Employer and Employee. Employer shall be responsible for all fees and expenses incurred by the Accountants in connection with the calculations required by this Section 9.

(c) It is possible that after the determinations and selections made pursuant to this Section 9, Employee will receive Covered Payments that are in the aggregate more than the amount intended or required to be provided after application of this Section 9 ("Overpayment") or less than the amount intended or required to be provided after application of this Section 9 ("Underpayment").

(i) In the event that: (A) the Accountants determine, based upon the assertion of a deficiency by the Internal Revenue Service against either Employer or Employee that the Accountants believe has a high probability of success, that an Overpayment has been made or (B) it is established pursuant to a final determination of a court or an Internal Revenue Service proceeding that has been finally and conclusively resolved that an Overpayment has been made, then Employee shall pay any such Overpayment to Employer together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code) from the date of Employee's receipt of the Overpayment until the date of repayment.

(ii) In the event that: (A) the Accountants, based upon controlling precedent or substantial authority, determine that an Underpayment has occurred or (B) a court of competent jurisdiction determines that an Underpayment has occurred, any such Underpayment will be paid promptly by Employer to or for the benefit of Employee together with interest at the applicable federal rate (as defined in Section 7872(f)(2)(A) of the Code) from the date the amount should have otherwise been paid to Employee until the payment date.

9.3 *Tax Withholding.* All amounts payable under this Agreement shall be subject to applicable income and employment tax withholding.

10.Dispute Resolution; Injunctive Relief. If any controversy or claim arises out of or relating to this Agreement, or any alleged breach hereof, Employee and Employer shall first try to resolve such controversy or claim through mediation using the services of the American Arbitration Association. If any such controversy or claim cannot be resolved by mediation pursuant to the foregoing, Employee and Employer agree that such controversy or claim shall be finally determined by a single arbitrator, jointly selected by Employee and Employer, provided that if Employee and Employer are unable to agree upon a single arbitrator after reasonable efforts, the arbitrator shall be an impartial arbitrator selected by the American Arbitration Association.

Employer shall bear all costs associated with such mediation and, if necessary, arbitration, including but not limited to all costs of the mediator and arbitrator, and shall reimburse Employee on a monthly basis for Employee's reasonable legal and other expenses, including all fees, incurred in connection with any such mediation and, if necessary, arbitration, provided, however, that if Employer ultimately prevails in any arbitration (as determined by the arbitrator), the arbitrator shall have the power to require Employee to reimburse Employer for all or a portion of the advanced legal fees and other expenses as determined by the arbitrator (and, if the arbitrator finds that Employer prevailed on certain claims and Employee prevailed on others, the arbitrator shall have the power to require Employee to reimburse Employer for a portion of the advanced legal fees and other expenses determined by the arbitrator based on those claims on which Employer prevailed). The mediation and, if necessary, arbitration proceedings shall be held in Sunrise, Florida, unless otherwise mutually agreed by the parties, and shall be conducted in accordance with the American Arbitration Association National Rules for the Resolution of Employment Disputes then in effect. Judgment on any award rendered by the arbitrator may be entered and enforced by any court having jurisdiction thereof. Any such mediation and, if necessary, arbitration shall be treated as confidential by all parties thereto, except as otherwise provided by law or as otherwise necessary to enforce any judgment or order issued by the arbitrator.

Notwithstanding anything herein to the contrary, if Employer or Employee shall require immediate injunctive relief, then the party shall be entitled to seek such relief in any court having jurisdiction, and if the party elects to do so, the other party hereby consents to the jurisdiction of the state and federal courts sitting in the State of Florida and to the applicable service of process. Employee and Employer hereby waive and agree not to assert, to the fullest extent permitted by applicable law, any claim that (i) they are not subject to the jurisdiction of such courts, (ii) they are immune from any legal process issued by such courts and (iii) any litigation or other proceeding commenced in such courts is brought in an inconvenient forum. In the event that Employer brings suit against Employee seeking injunctive relief, Employer agrees to advance all of Employee's reasonable legal and other expenses, including all fees, incurred by Employee in connection with such action, provided, however, that if Employer ultimately prevails in seeking injunctive relief, Employee shall reimburse Employer all such advanced legal fees and other expenses.

11.Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida without regard to its conflict of laws principles to the extent that such principles would require the application of laws other than the laws of the State of Florida.

12.Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given when (i) delivered by hand, (ii) delivered by

electronic mail that is confirmed by non-automated means, or (iii) when delivered or delivery is refused if sent by registered or certified U.S. mail, return receipt requested, postage prepaid, or via reputable overnight courier, addressed as follows:

If to Employer:

PMG Services, Inc.
1301 Concord Terrace
Sunrise, FL 33323
Attention: Chief Executive Officer
Email: james.swift@pediatrix.com

If to Employee:

Mary Ann E. Moore
c/o PMG Services, Inc.
1301 Concord Terrace
Sunrise, FL 33323
Email: maryann.moore@pediatrix.com

or to such other addresses as either party hereto may from time to time give notice of to the other in the aforesaid manner.

13.Benefits; Binding Effect. This Agreement shall be for the benefit of and binding upon the parties hereto and their respective heirs, personal representatives, legal representatives, successors and, where applicable, assigns. Notwithstanding the foregoing, Employee may not assign the rights or benefits hereunder without the prior written consent of Employer. This Agreement may be assigned by Employer upon notice to Employee.

14.Severability. The invalidity of any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall not affect the enforceability of the remaining portions of this Agreement or any part thereof, all of which are inserted conditionally on their being valid in law, and, in the event that any one or more of the words, phrases, sentences, clauses or sections contained in this Agreement shall be declared invalid, this Agreement shall be construed as if such invalid word or words, phrase or phrases, sentence or sentences, clause or clauses, or section or sections had not been inserted. If such invalidity is caused by length of time or size of area, or both, the otherwise invalid provision will be considered to be reduced to a period or area, which would cure such invalidity.

15.Waivers. The waiver by either party hereto of a breach or violation of any term or provision of this Agreement shall not operate nor be construed as a waiver of any subsequent breach or violation.

16.Damages. Nothing contained herein shall be construed to prevent Employer or Employee from seeking and recovering from the other damages sustained by either or both of them as a result of a breach of any term or provision of this Agreement.

17.No Third Party Beneficiary. Except as provided in Section 8.9 hereof, nothing expressed or implied in this Agreement is intended, or shall be construed, to confer upon or give any person (other than the parties hereto and, in the case of Employee, Employee's heirs, personal representative(s) and/or legal representative) any rights or remedies under or by reason of this Agreement. No agreements or representations, oral or otherwise, express or implied, have been made by either party with respect to the subject matter of this Agreement which agreements or

representations are not set forth expressly in this Agreement, and this Agreement supersedes any other employment agreement between Employer and Employee.

The remainder of this page has been left blank intentionally.

IN WITNESS WHEREOF, the undersigned have executed this Agreement effective as of the Effective Date.

EMPLOYER:

PMG SERVICES, INC.

By: */s/ James D. Swift, M.D.*
James D. Swift, M.D.
Chief Executive Officer

PEDIATRIX MEDICAL GROUP, INC.

By: */s/ Shirley A. Weis*
Shirley A. Weis
Chair, Compensation and Talent Committee

EMPLOYEE:

By: */s/ Mary Ann E. Moore*
Mary Ann E. Moore

EXHIBIT A

BUSINESS OF EMPLOYER

As of the date hereof, Employer, directly or through its affiliates, provides professional medical services and all aspects of practice management services in medical practice areas that include, but are not limited to, the following (collectively referred to herein as "**Employer's Business**"):

(1) Neonatology, including hospital well baby care;
(2) Maternal-Fetal Medicine, including general obstetrics services;
(3) Pediatric Cardiology;
(4) Pediatric Intensive Care, including Pediatric Hospitalist Care;
(5) Newborn hearing screening services;
(6) Pediatric Surgery;
(7) Pediatric Emergency Medicine; and
(8) Pediatric Primary and/or Urgent Care Centers.

References to Employer's Business in this Agreement shall include such other medical service lines, practice management services and other businesses in which Employer is engaged during the Employment Period; *provided,* that to be considered a part of Employer's Business, Employer must have engaged in such other service line, practice management service or other business at least six (6) months prior to the termination date of this Agreement. For purposes of this Exhibit A, businesses of Employer shall include the businesses conducted by Employer's subsidiaries, entities under common control and affiliates as defined under Rule 144 of the Securities Act of 1933, as amended. Such affiliates shall include the professional corporations and associations whose operating results are consolidated with Employer for financial reporting purposes.

Notwithstanding the foregoing, Employer acknowledges and agrees to the following exceptions and clarifications regarding the scope of Employer's Business.

A. *Hospital Services.* Employer and Employee acknowledge that, as of the date hereof, Employer does not currently operate hospitals, hospital systems or universities. Nevertheless, the businesses of hospitals, hospital systems and universities would be the same as Employer's Business where such hospitals, hospital systems or universities provide or contract with others to provide some or all of the medical services included in Employer's Business. Therefore, the parties desire to clarify their intent with respect to the limitations on Employee's ability to work for or contract with others to provide services for a hospital, hospital system or university during the Employment Period and during the Restricted Period. Section 8.1 shall not be deemed to restrict Employee's ability to work for a hospital, hospital system or university if the hospital, hospital system or university does not provide any of the medical services included in Employer's Business. Furthermore, even if a hospital, hospital system or university provides medical services that are included in Employer's Business, Employee may work for such hospital, hospital system or university if Employee has no direct supervisory responsibility for or involvement in the hospital's, hospital system's or university's provision of medical services that are Employer's Business. For the avoidance of doubt, Employer and Employee agree that if Employee becomes

the Chief Operating Officer, Chief Legal Officer, Chief Compliance Officer, General Counsel or Chief Executive Officer of a hospital system or health system, or other executive officer of similar level to the foregoing, that Employee shall not be in breach of the provisions of this Agreement. Finally, Employer agrees that Employee may hold direct supervisory responsibility for or be involved in the medical services of a hospital, hospital system or university that are included in Employer's Business so long as such hospital, hospital system or university is located at least ten (10) miles from a medical practice owned or operated by Employer or its affiliate. Subject to paragraph B below, the provisions of this paragraph shall not apply to the extent that, after the date hereof, Employer enters into the business of operating a hospital or hospital system.

B. *De Minimus Exception.* Employer agrees that a medical service line (other than those listed in items (1) through (8) above), practice management service or other business in which Employer is engaged shall not be considered to be a part of Employer's Business if such medical service line, practice management service or other business constitutes less than three percent (3%) of Employer's annual revenues.

C. *Divested Lines of Service.* Employer agrees that any medical service line (including those listed in items (1) through (8) above), practice management, or other business in which Employer is engaged that is divested pursuant to a disposition, sale of assets or equity, or otherwise after the Effective Date shall not be considered to be a part of Employer's Business effective as of the effective date of such divestiture.

D. *Certain Ownership Interests.* It shall not be deemed to be a violation of Section 8.1 for Employee to: (i) own, directly or indirectly, one percent (1%) or less of a publicly-traded entity that has a market capitalization of $1 billion or more; (ii) own, directly or indirectly, five percent (5%) or less of a publicly-traded entity that has a market capitalization of less than $1 billion; or (iii) own, directly or indirectly, less than ten percent (10%) of a privately-held business or company, if Employee is at all times a passive investor with no board representation, management authority or other special rights to control operations of such business or company.

EXHIBIT B

FORM OF RELEASE

GENERAL RELEASE OF CLAIMS

1. Mary Ann E. Moore ("Employee"), for himself or herself and his or her family, heirs, executors, administrators, legal representatives and their respective successors and assigns, in exchange for the consideration received pursuant to Section 4.[●] of that certain Second Amended and Restated Employment Agreement, dated as of April ____, 2023, by and between Employee and Employer, to which this release is attached as Exhibit B (the "Employment Agreement"), does hereby release and forever discharge PMG Services, Inc. ("Employer"), its subsidiaries, affiliated companies, successors and assigns, and its current or former directors, officers, employees, shareholders or agents in such capacities (collectively with Employer, the "Released Parties") from any and all actions, causes of action, suits, controversies, claims and demands whatsoever, for or by reason of any matter, cause or thing whatsoever, whether known or unknown including, but not limited to, all claims under any applicable laws arising under or in connection with Employee's employment or termination thereof, whether for discrimination, harassment, retaliation, tort, breach of express or implied employment contract, wrongful discharge, intentional infliction of emotional distress, or defamation or injuries incurred on the job or incurred as a result of loss of employment. Employee acknowledges that Employer encouraged Employee to consult with an attorney of Employee's choosing, and through this General Release of Claims encourages Employee to consult with Employee's attorney with respect to possible claims under the Age Discrimination in Employment Act ("ADEA") and that Employee understands that the ADEA is a Federal statute that, among other things, prohibits discrimination on the basis of age in employment and employee benefits and benefit plans. Without limiting the generality of the release provided above, Employee expressly waives any and all claims under ADEA that Employee may have as of the date hereof. Employee further understands that by signing this General Release of Claims Employee is in fact waiving, releasing and forever giving up any claim under the ADEA as well as all other laws within the scope of this paragraph 1 that may have existed on or prior to the date hereof. Notwithstanding anything in this paragraph 1 to the contrary, this General Release of Claims shall not apply to (i) any actions to enforce rights to receive any payments or benefits which may be due Employee pursuant to Section 4.[●] of the Employment Agreement, or under any of Employer's employee benefit plans, (ii) any rights or claims that may arise as a result of events occurring after the date this General Release of Claims is executed, (iii) any indemnification rights Employee may have as a former officer or director of Employer or its subsidiaries or affiliated companies, (iv) any claims for benefits under any directors' and officers' liability policy maintained by Employer or its subsidiaries or affiliated companies in accordance with the terms of such policy, (v) any rights as a holder of equity securities of Employer, (vi) any claims that cannot be waived as a matter of law, (vii) any claims Employee may have to government-sponsored and administered benefits such as unemployment insurance, workers' compensation insurance (excluding claims for retaliation under workers' compensation laws), state disability insurance, and paid family leave benefits, and (viii) any benefits that vested on or prior to the termination date pursuant to a written benefit plan sponsored by Employer and governed by the federal law known as "ERISA".

2. Employee represents that Employee has not filed against the Released Parties any complaints, charges, or lawsuits arising out of Employee's employment, or any other matter arising on or prior to the date of this General Release of Claims, and covenants and agrees that Employee will never individually or with any person file, or commence the filing of, any charges, lawsuits, complaints or proceedings with any governmental agency, or against the Released Parties with respect to any of the matters released by Employee pursuant to paragraph 1 hereof (a "Proceeding"), provided, however, Employee retains the right to commence a Proceeding to challenge whether Employee knowingly and voluntarily waived Employee's rights under ADEA.

3. Notwithstanding anything in this Agreement to the contrary, nothing in this Agreement or any other agreement between Employer and Employee shall prevent Employee from filing a charge, sharing information and communicating in good faith, without prior notice to Employer, with any federal government agency having jurisdiction over Employer or its operations, and cooperating in any investigation by any such federal government agency; however, to the maximum extent permitted by law, Employee agrees that if such an administrative claim is made, Employee shall not be entitled to recover any individual monetary relief or other individual remedies, provided that, for purposes of clarity, this limitation on monetary recovery does not apply to whistleblower proceedings before the United States Securities and Exchange Commission.

4. Employee hereby acknowledges that Employer has informed Employee that Employee has up to twenty-one (21) days to sign this General Release of Claims and Employee may knowingly and voluntarily waive that twenty-one (21) day period by signing this General Release of Claims earlier. Employee also understands that Employee shall have seven (7) days following the date on which Employee signs this General Release of Claims within which to revoke it by providing a written notice of Employee's revocation to Employer.

5. Employee acknowledges that this General Release of Claims will be governed by and construed and enforced in accordance with the internal laws of the State of Florida applicable to contracts made and to be performed entirely within such State.

6. Employee acknowledges that Employee has read this General Release of Claims, that Employee has been advised that Employee should consult with an attorney before Employee executes this general release of claims, and that Employee understands all of its terms and executes it voluntarily and with full knowledge of its significance and the consequences thereof.

7. This General Release of Claims shall take effect on the eighth day following Employee's execution of this General Release of Claims unless Employee's written revocation is delivered to Employer within seven (7) days after such execution.

[DO NOT SIGN]

_____, 20

Exhibit 31.1

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, James D. Swift, M.D., certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pediatrix Medical Group, 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.

Date: May 2, 2023

By: /s/ James D. Swift, M.D.
James D. Swift, M.D.
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, C. Marc Richards, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Pediatrix Medical Group, 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.

Date: May 2, 2023

By: /s/ C. Marc Richards
C. Marc Richards
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)

Exhibit 32.1

Certification Pursuant to 18 U.S.C Section 1350
(Adopted by Section 906 of the Sarbanes-Oxley Act of 2002)

In connection with the Quarterly Report of Pediatrix Medical Group, Inc. on Form 10-Q for the quarter ended March 31, 2023 (the "Report"), each of the undersigned hereby certifies, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that (i) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and (ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Pediatrix Medical Group, Inc.

A signed original of this written statement required by Section 906 has been provided to Pediatrix Medical Group, Inc. and will be retained by Pediatrix Medical Group, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

May 2, 2023

By: /s/ James D. Swift, M.D.
James D. Swift, M.D.
Chief Executive Officer
(Principal Executive Officer)

By: s/ C. Marc Richards
C. Marc Richards
Chief Financial Officer
(Principal Financial Officer and
Principal Accounting Officer)