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

FORM 8-K

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

Date of Report (date of earliest event reported): December 15, 2020

MEDNAX, INC.

(Exact Name of Registrant as Specified in Its Charter)

Florida
(State or Other Jurisdiction
of Incorporation)

001-12111
(Commission
File Number)

26-3667538
(IRS Employer
Identification No.)

1301 Concord Terrace
Sunrise, Florida 33323
(Address of principal executive office) (zip code)

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

N/A
(Former name or former address, if changed since last report.)

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

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

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

Title of each class	Trading Symbol(s)	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 is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

Item 2.01 Completion of Acquisition or Disposition of Assets.

As previously reported, on September 9, 2020, Mednax, Inc., a Florida corporation (“the “Company”), through Mednax Services, Inc., a Florida corporation and wholly owned subsidiary of the Company (“Mednax Services”), entered into a Securities Purchase Agreement (the “Purchase Agreement”) with Radiology Partners, Inc., a Delaware corporation (“Radiology Partners”), pursuant to which, on December 15, 2020, Radiology Partners acquired all of the outstanding equity interests (the “Transaction”) of Redwood Radiology, LLC, a Delaware limited liability company and wholly owned subsidiary of Mednax Services, which owned the Company’s radiology and teleradiology medical group, branded as Mednax Radiology Solutions.

The foregoing description of the Purchase Agreement is not complete and is qualified in its entirety by (i) the full text of the Purchase Agreement and the pro forma financial statements for the Transaction, copies of which are filed as Exhibit 2.1 and Exhibit 99.1 hereto, respectively, which are each incorporated by reference herein, (ii) the description of the Purchase Agreement contained in Item 8.01 of the Company’s Current Report on Form 8-K filed with the U.S. Securities and Exchange Commission (the “Commission”) on September 10, 2020, which is incorporated by reference herein, and (iii) the description of the Purchase Agreement contained in Item 1.01 of the Company’s Current Report on Form 8-K filed with the Commission on September 15, 2020, which is incorporated by reference herein.

Item 2.04 Triggering Events That Accelerate or Increase a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement.

The Company previously delivered a conditional notice of full redemption to U.S. Bank National Association (the “Trustee”), the trustee for the Company’s 5.25% senior unsecured notes due December 1, 2023 (the “2023 Notes”), to redeem all \$750 million of the outstanding principal amount of the 2023 Notes on January 7, 2021 (the “Redemption Date”) pursuant to the optional redemption provisions of the Indenture, dated December 8, 2015, as supplemented by the First Supplemental Indenture, dated December 8, 2015 (collectively and as further supplemented, the “Indenture”), governing the 2023 Notes (the “Redemption”). The Redemption was subject to and conditioned upon the closing of the Transaction. Pursuant to the terms of the Indenture, the 2023 Notes will be redeemed at the redemption price of 101.313% of the principal amount thereof plus accrued and unpaid interest on the 2023 Notes to, but not including, the Redemption Date. The Company intends to fund the Redemption using a portion of the proceeds from the Transaction.

Item 7.01 Regulation FD Disclosure.

On December 16, 2020, the Company issued a press release disclosing the closing of the Transaction. A copy of the press release is furnished as Exhibit 99.2 hereto and is incorporated by reference herein. The information contained in this Item 7.01, including Exhibit 99.2, shall not be deemed “filed” with the Commission nor incorporated by reference in any registration statement or other document filed by the Company under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

Item 8.01 Other Events.

The board of directors of the Company (the “Board”) has determined to not effect the previously announced changes in name of (i) the Company to “Pediatrix Medical Group, Inc.” and (ii) Mednax Services to “PMG Services, Inc.”, which were approved by the Company’s shareholders at the Company’s 2020 Annual Meeting of Shareholders (the “Name Changes”), due to, among other factors, the cost to fully implement the Name Changes, the diversity of the Company’s remaining physician services business beyond specific Pediatrix lines and the ability of the Company’s service lines to use the Company’s Pediatrix and Obstetrix brands without the need to re-brand the Company.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit Index

<u>Exhibit Number</u>	<u>Description of Exhibit</u>
2.1+	<u>Securities Purchase Agreement, dated as of September 9, 2020, by and between Mednax Services, Inc. and Radiology Partners, Inc. (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K, filed with the Commission on September 15, 2020).</u>
99.1	<u>Pro Forma Financial Statements with Respect to Disposition of Redwood Radiology, LLC.</u>
99.2	<u>Press Release of Mednax, Inc. dated December 16, 2020.</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

+ Portions of this exhibit have been omitted pursuant to Item 601(b)(2) of Regulation S-K because they are both (i) not material and (ii) would likely cause competitive harm to the registrant if publicly disclosed. The schedules and similar attachments to this exhibit have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Company undertakes to promptly provide an unredacted copy of the exhibit or a copy of the omitted schedules and similar attachments on a supplemental basis to the Commission or its staff, if requested.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MEDNAX, INC.

Date: December 21, 2020

By: /s/ C. Marc Richards
C. Marc Richards
Chief Financial Officer

UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

Overview

On December 15, 2020, Mednax, Inc., a Florida corporation (“the “Company”), pursuant to the previously disclosed Securities Purchase Agreement, dated as of September 9, 2020, by and between Mednax Services, Inc., a Florida corporation (“Mednax Services”), and Radiology Partners, Inc., a Delaware corporation (“Buyer”), the Company completed the divestiture of Redwood Radiology, LLC, a Delaware limited liability company and wholly owned subsidiary of Mednax Services, which owns the Company’s radiology and teleradiology services medical group, Mednax Radiology Solutions (“Mednax Radiology”), (the “Divestiture”). The purchase consideration was comprised of a cash payment of \$885 million paid at closing, subject to certain cash, minimum net working capital, indebtedness and other adjustments. The Company received approximately \$865 million at closing and intends to use the proceeds of the transaction to redeem its \$750 million in outstanding principal amount of 5.25% senior notes due in 2023 (the “2023 Notes”) with a redemption date of January 7, 2021.

The Divestiture is considered a significant disposition for the Company. As a result, the Company prepared the accompanying unaudited pro forma condensed consolidated financial information in accordance with Article 11 of Regulation S-X.

The Company presented its operations for Mednax Radiology as discontinued operations in its condensed consolidated financial statements included in the Company’s Form 10-Q for the three and nine months ended September 30, 2020. The accompanying unaudited pro forma condensed consolidated balance sheet gives effect to the Divestiture as if it occurred on September 30, 2020, the end of the most recent period for which a balance sheet is required. The accompanying unaudited pro forma condensed consolidated statements of income for the nine months ended September 30, 2020 and for the years ended December 31, 2019, 2018, and 2017 gives effect to the Divestiture as if it occurred on January 1, 2017. In addition, the unaudited pro forma condensed consolidated statements of income for the years ended December 31, 2019, 2018, and 2017 give effect to the divestiture of the Company’s anesthesiology medical group that was divested in May 2020 (collectively referred to as the “Divestitures”) as if it occurred on January 1, 2017, for which the unaudited pro forma results were previously disclosed on a Current Report on Form 8-K filed on May 12, 2020.

The accompanying unaudited pro forma condensed consolidated financial information includes pro forma adjustments that are directly attributable to the Divestitures and are factually supportable. Pro forma adjustments are presented for informational purposes only and are described in the accompanying notes based on information and assumptions currently available at the time of the filing of the Current Report on Form 8-K. The unaudited pro forma condensed consolidated financial information is not necessarily indicative of what the Company’s results of operations or financial condition would have been had the Divestiture been completed on the date indicated above. In addition, it is not necessarily indicative of the Company’s future results of operations or financial condition.

The accompanying unaudited pro forma condensed consolidated financial information should be read in conjunction with (i) the audited consolidated financial statements and accompanying notes and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2019, and (ii) the unaudited condensed consolidated financial statements and accompanying notes and “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” included in the Company’s Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2020.

Mednax, Inc.
Unaudited Pro Forma Condensed Consolidated Balance Sheet
As of September 30, 2020
(in thousands)

	Mednax, Inc. Historical Financial Statements as Reported	Pro Forma Adjustments Related to Mednax Radiology Divestiture Activity	Adjustments Related to the Redemption of the 2023 Notes and Excess Cash	Pro Forma
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 294,512		\$ 92,027 A	\$ 386,539
Short-term investments	81,574			81,574
Accounts receivable, net	267,125			267,125
Prepaid expenses	13,317			13,317
Income taxes receivable	22,797			22,797
Other current assets	20,287			20,287
Assets held for sale	951,548	(951,548) B		—
Total current assets	1,651,160	(951,548)	92,027	791,639
Property and equipment, net	78,570			78,570
Goodwill	1,480,668			1,480,668
Intangible assets, net	27,665			27,665
Operating lease right-of-use assets	58,993			58,993
Deferred income taxes	62,950			62,950
Other assets	64,820			64,820
Total assets	<u>\$3,424,826</u>	<u>\$ (951,548)</u>	<u>\$ 92,027</u>	<u>\$2,565,305</u>
LIABILITIES AND EQUITY				
Current liabilities:				
Accounts payable and accrued expenses	\$ 388,517		\$ (13,125) A	\$ 375,392
Current portion of finance leases	2,440			2,440
Current portion of operating leases	18,695			18,695
Liabilities held for sale	78,712	(78,712) B		—
Total current liabilities	488,364	(78,712)	(13,125)	396,527
Long-term debt, net	1,732,805		(744,923) A	987,882
Long-term finance leases	9,458			9,458
Long-term operating leases	40,220			40,220
Long-term professional liabilities	242,366			242,366
Deferred income taxes	63,630			63,630
Other liabilities	42,977			42,977
Total liabilities	2,619,820	(78,712)	(758,048)	1,783,060
Commitments and contingencies				
Total equity	805,006	(872,836)	850,075 C	782,245
Total liabilities and equity	<u>\$3,424,826</u>	<u>\$ (951,548)</u>	<u>\$ 92,027</u>	<u>\$2,565,305</u>

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Mednax, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Income
Nine Months Ended September 30, 2020
(in thousands, except per share data)

	Mednax, Inc. Historical Financial Statements as Reported	Pro Forma Adjustments	Pro Forma
Net revenue	\$ 1,317,321		\$ 1,317,321
Practice salaries and benefits	909,168		909,168
Practice supplies and other operating expense	66,455		66,455
General and administrative expense	194,276		194,276
Depreciation and amortization	20,749		20,749
Transformation and restructuring related expenses	60,846		60,846
Total operating expenses	<u>1,251,494</u>	<u>—</u>	<u>1,251,494</u>
Income from operations	65,827	—	65,827
Investment and other income	13,064	920 D	13,984
Interest expense	(83,180)	30,736 E	(52,444)
Equity in earnings of unconsolidated affiliate	1,081		1,081
Total non-operating expenses	(69,035)	31,656	(37,379)
(Loss) income from continuing operations before income taxes	(3,208)	31,656	28,448
Income tax provision	(10,859)	(7,914) F	(18,773)
(Loss) income from continuing operations	<u>(14,067)</u>	<u>23,742</u>	<u>9,675</u>
Loss from discontinued operations	(718,125)	718,125 G	—
Net (loss) income	<u>\$ (732,192)</u>	<u>\$ 741,867</u>	<u>\$ 9,675</u>
(Loss) income from continuing operations:			
Basic	\$ (0.17)	\$ 0.29	\$ 0.12
Diluted	\$ (0.17)	\$ 0.29	\$ 0.12
(Loss) income from discontinued operations:			
Basic	\$ (8.62)	\$ 8.62	\$ —
Diluted	\$ (8.62)	\$ 8.62	\$ —
Net (loss) income			
Basic	\$ (8.79)	\$ 8.91	\$ 0.12
Diluted	\$ (8.79)	\$ 8.91	\$ 0.12
Weighted average common shares			
Basic	83,260	—	83,260
Diluted	83,260		83,777 H

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Mednax, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Income
Year Ended December 31, 2019
(in thousands, except per share data)

	I					
	Mednax, Inc. Historical Financial Statements as Reported	Pro Forma Adjustments Related to Prior Divestiture Activity	Pro Forma Results (Adjusted for Prior Divestiture Activity)	Pro Forma Adjustments Related to Mednax Radiology Divestiture Activity	Adjustments Related to the Redemption of the 2023 Notes and Excess Cash	Pro Forma Results (Combined)
Net revenue	\$ 3,513,542	\$(1,250,359)	\$ 2,263,183	\$ (483,424)		\$1,779,759
Practice salaries and benefits	2,508,778	(1,008,515)	1,500,263	(319,504)		1,180,759
Practice supplies and other operating expense	112,766	(12,392)	100,374	(4,463)		95,911
General and administrative expense	404,643	(76,258)	328,385	(83,873)		244,512
Depreciation and amortization	78,860	(22,652)	56,208	(30,277)		25,931
Transformation and restructuring related expenses	95,329	(31,719)	63,610	(2,720)		60,890
Goodwill impairment	1,449,215	(1,331,291)	117,924	(117,924)		—
Total operating expenses	4,649,591	(2,482,827)	2,166,764	(558,761)	—	1,608,003
Income from operations	(1,136,049)	1,232,468	96,419	75,337	—	171,756
Investment and other income	5,671	(3)	5,668	(1,982)	1,841 D	5,527
Interest expense	(119,381)	73	(119,308)	380	39,375 E	(79,553)
Equity in earnings of unconsolidated affiliate	7,779	(39)	7,740	(5,470)		2,270
Total non-operating expenses	(105,931)	31	(105,900)	(7,072)	41,216	(71,756)
(Loss) income from continuing operations before income taxes	(1,241,980)	1,232,499	(9,481)	68,265	41,216	100,000
Income tax benefit (provision)	91,886	(113,021)	(21,135)	4,559	(10,304) F	(26,880)
(Loss) income from continuing operations	(1,150,094)	1,119,478	(30,616)	72,824	30,912	73,120
Loss from discontinued operations	(347,608)	347,608 J	—	—	—	—
Net (loss) income	\$(1,497,702)	\$ 1,467,086	\$ (30,616)	\$ 72,824	\$ 30,912	\$ 73,120
(Loss) income from continuing operations:						
Basic	\$ (13.78)					\$ 0.88
Diluted	\$ (13.78)					\$ 0.87
(Loss) income from discontinued operations:						
Basic	\$ (4.16)					\$ —
Diluted	\$ (4.16)					\$ —
Net (loss) income						
Basic	\$ (17.94)					\$ 0.88
Diluted	\$ (17.94)					\$ 0.87
Weighted average common shares						
Basic	83,495					83,495
Diluted	83,495					84,057 H

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Mednax, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Income
Year Ended December 31, 2018
(in thousands, except per share data)

	I					
	Mednax, Inc. Historical Financial Statements as Reported	Pro Forma Adjustments Related to Prior Divestiture Activity	Pro Forma Results (Adjusted for Prior Divestiture Activity)	Pro Forma Adjustments Related to Mednax Radiology Divestiture Activity	Adjustments Related to the Redemption of the 2023 Notes and Excess Cash	Pro Forma Results (Combined)
Net revenue	\$ 3,454,810	\$(1,287,662)	\$ 2,167,148	\$ (444,041)		\$ 1,723,107
Practice salaries and benefits	2,426,376	(1,024,600)	1,401,776	(276,105)		1,125,671
Practice supplies and other operating expense	108,851	(14,664)	94,187	(1,712)		92,475
General and administrative expense	403,934	(83,269)	320,665	(88,447)		232,218
Depreciation and amortization	83,832	(30,128)	53,704	(29,349)		24,355
Total operating expenses	3,022,993	(1,152,661)	1,870,332	(395,613)	—	1,474,719
Income from operations	431,817	(135,001)	296,816	(48,428)	—	248,388
Investment and other income	5,211	3	5,214	(2,163)	2,761 D	5,812
Interest expense	(88,789)	557	(88,232)	(4,713)	39,375 E	(53,570)
Equity in earnings of unconsolidated affiliate	6,825	—	6,825	889		7,714
Total non-operating expenses	(76,753)	560	(76,193)	(5,987)	42,136	(40,044)
Income from continuing operations before income taxes	355,064	(134,441)	220,623	(54,415)	42,136	208,344
Income tax provision	(96,453)	34,761	(61,692)	16,998	(10,534) F	(55,228)
Income from continuing operations	258,611	(99,680)	158,931	(37,417)	31,602	153,116
Income from discontinued operations	10,018	(10,018) J	—	—	—	—
Net income	<u>\$ 268,629</u>	<u>\$ (109,698)</u>	<u>\$ 158,931</u>	<u>\$ (37,417)</u>	<u>\$ 31,602</u>	<u>\$ 153,116</u>
Income from continuing operations:						
Basic	\$ 2.84					\$ 1.68
Diluted	\$ 2.82					\$ 1.67
Income from discontinued operations:						
Basic	\$ 0.11					\$ —
Diluted	\$ 0.11					\$ —
Net income						
Basic	\$ 2.95					\$ 1.68
Diluted	\$ 2.93					\$ 1.67
Weighted average common shares						
Basic	91,104					91,104
Diluted	91,606					91,606

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

Mednax, Inc.
Unaudited Pro Forma Condensed Consolidated Statement of Income
Year Ended December 31, 2018
(in thousands, except per share data)

	I					
	Mednax, Inc. Historical Financial Statements as Reported	Pro Forma Adjustments Related to Prior Divestiture Activity	Pro Forma Results (Adjusted for Prior Divestiture Activity)	Pro Forma Adjustments Related to Mednax Radiology Divestiture Activity	Adjustments Related to the Redemption of the 2023 Notes and Excess Cash	Pro Forma Results (Combined)
Net revenue	\$ 3,253,391	\$(1,327,634)	\$ 1,925,757	\$ (277,301)		\$ 1,648,456
Practice salaries and benefits	2,227,335	(1,000,067)	1,227,268	(178,716)		1,048,552
Practice supplies and other operating expense	106,444	(14,798)	91,646	(5,879)		85,767
General and administrative expense	385,864	(86,888)	298,976	(62,771)		236,205
Depreciation and amortization	78,856	(33,487)	45,369	(22,789)		22,580
Total operating expenses	2,798,499	(1,135,240)	1,663,259	(270,155)	—	1,393,104
Income from operations	454,892	(192,394)	262,498	(7,146)	—	255,352
Investment and other income	4,385	—	4,385	(2,758)	3,681 D	5,308
Interest expense	(74,556)	604	(73,952)	299	39,375 E	(34,278)
Equity in earnings of unconsolidated affiliate	952	—	952	(256)		696
Total non-operating expenses	(69,219)	604	(68,615)	(2,715)	43,056	(28,274)
Income from continuing operations before income taxes	385,673	(191,790)	193,883	(9,861)	43,056	227,078
Income tax provision	(80,231)	74,253	(5,978)	4,312	(16,361) F	(18,027)
Income from continuing operations	305,442	(117,537)	187,905	(5,549)	26,695	209,051
Income from discontinued operations	14,930	(14,930) J	—	—	—	—
Net income	<u>\$ 320,372</u>	<u>\$ (132,467)</u>	<u>\$ 187,905</u>	<u>\$ (5,549)</u>	<u>\$ 26,695</u>	<u>\$ 209,051</u>
Income from continuing operations:						
Basic	\$ 3.31					\$ 2.26
Diluted	\$ 3.29					\$ 2.25
Income from discontinued operations:						
Basic	\$ 0.16					\$ —
Diluted	\$ 0.16					\$ —
Net income						
Basic	\$ 3.47					\$ 2.26
Diluted	\$ 3.45					\$ 2.25
Weighted average common shares						
Basic	92,431					92,431
Diluted	92,958					92,958

The accompanying notes are an integral part of these unaudited pro forma condensed consolidated financial statements.

MEDNAX, INC.
NOTES TO UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Basis of Pro Forma Presentation

The unaudited pro forma condensed consolidated financial statements included herein were prepared in accordance with Article 11 of Regulation S-X and are based on historical financial information of the Company. The historical consolidated financial information has been adjusted in the accompanying unaudited pro forma condensed consolidated financial statements to give effect to pro forma events that are (1) directly attributable to the Divestitures and (2) factually supportable. Certain information and footnote disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States have been condensed or omitted from this report, as is permitted by such rules and regulations. The Divestiture meets the definition of discontinued operations, as defined by Accounting Standards Codification 205-20 Discontinued Operations (ASC 250-20).

The accompanying unaudited pro forma condensed consolidated financial statements are based on the Company's Annual Report on Form 10-K for the year ended December 31, 2019, and the Company's Quarterly Report on Form 10-Q for the three and nine months ended September 30, 2020. The unaudited pro forma condensed consolidated balance sheet as of September 30, 2020 gives effect to the Divestiture as if it had occurred on September 30, 2020. The unaudited pro forma condensed consolidated statement of income for the nine months ended September 30, 2020 gives effect to the Divestiture and for the years ended December 31, 2019, 2018 and 2017 gives effect to the Divestitures as if they had occurred on January 1, 2017, the beginning of the earliest period presented.

2. Pro Forma Adjustments

- A.** Adjustment reflects the use of cash proceeds from the sale of Mednax Radiology, net of transaction expenses, to redeem the 2023 Notes at a call premium of 101.313% along with accrued interest, with the remaining amount designated as excess cash. The redemption of the 2023 Notes is expected to occur on January 7, 2021.
- B.** Adjustment reflects the assets and liabilities of Mednax Radiology, which were previously classified as held for sale.
- C.** Adjustment reflects the estimated increase to the loss on sale, resulting from the change in the actual net proceeds as compared to the estimate used when Mednax Radiology was classified as assets held for sale at September 30, 2020.
- D.** Adjustment reflects the increase to interest income from the investment of excess cash.
- E.** Adjustment reflects the decrease to interest expense from the redemption of the 2023 senior notes.
- F.** Adjustment reflects the income tax impacts for the pro forma adjustments using a pro forma continuing operations statutory rate of 25% for 2020, 2019 and 2018 and 38% for 2017.
- G.** Adjustment reflects the removal of the historical loss from discontinued operations, net of tax, associated with the anesthesiology medical group that was divested in May 2020 and Mednax Radiology.
- H.** The increase in diluted shares outstanding resulted from the change of continuing operations from a loss to income, which did not impact diluted earnings per share.
- I.** Adjustment reflects the removal of the historical operations of the Company's anesthesiology medical group that was divested in May 2020.
- J.** Adjustment reflects the removal of the historical loss from discontinued operations, net of tax, associated with the Company's MedData business, which was divested in October 2019.



FOR MORE INFORMATION:

Charles Lynch

Senior Vice President, Finance and Strategy

954-384-0175 ext. 5692

charles_lynch@mednax.comNOT FOR IMMEDIATE RELEASE**MEDNAX Completes Sale of MEDNAX Radiology Solutions to Radiology Partners**

FORT LAUDERDALE, Fla. – December 16, 2020 - MEDNAX, Inc. (NYSE: MD), the national health solutions partner specializing in prenatal, neonatal, and pediatric services, today announced that it has completed the previously announced sale of MEDNAX Radiology Solutions to Radiology Partners for total consideration of \$885 million. The Company received net proceeds, after related transaction expenses and customary adjustments, of approximately \$865 million.

“This transaction marks an important milestone for MEDNAX, as we are now wholly focused on providing high quality care to women, newborns and children through our Pediatrix and Obstetrix medical groups,” said Mark S. Ordan, MEDNAX’s Chief Executive Officer. “In addition, the transaction will enable us to end the year 2020, and begin the year 2021, with a strong balance sheet to support our commitment to take great care of the patient, every day and in every way.”

MEDNAX intends to use the proceeds of the transaction to redeem its \$750 million in outstanding principal amount of 5.25% senior notes due 2023, with a redemption date of January 7, 2021; to fund certain retained liabilities; and for general corporate purposes.

ABOUT MEDNAX

MEDNAX, Inc. is a national health solutions partner comprised of the nation’s leading providers of physician services. Physicians and advanced practitioners practicing as part of MEDNAX are reshaping the delivery of care within their specialties and subspecialties, using evidence-based tools, continuous quality initiatives, consulting services, clinical research and telemedicine to enhance patient outcomes and provide high-quality, cost-effective care. The Company was founded in 1979, and today, through its affiliated professional corporations, MEDNAX provides services through a network of more than 3,000 physicians in all 50 states and Puerto Rico. Additional information is available at www.mednax.com.

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Certain statements and information in this press release may be deemed to contain 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 (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements may include, but are not limited to, statements relating to the Company’s 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. 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 the Company’s 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 press release are made as of the date hereof, and the Company undertakes 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 Company’s most recent Annual Report on Form 10-K and its Quarterly Reports on Form 10-Q, including the sections entitled “Risk Factors”, as well the Company’s current reports on Form 8-K, filed with the Securities and Exchange Commission, and include the impact of the COVID-19 outbreak on the Company and its financial condition and results of operations; the effects of economic conditions on the Company’s business; the effects of the Affordable Care Act and potential changes thereto or a repeal thereof; the Company’s relationships with government-sponsored or funded healthcare programs, including Medicare and Medicaid, and with managed care organizations and commercial health insurance payors; the Company’s ability to comply with the terms of its debt financing arrangements; the impact of the divestiture of the Company’s anesthesiology and radiology medical groups and the intended uses of proceeds thereof, including to redeem the Company’s \$750 million aggregate principal amount of 5.25% senior notes due 2023; the impact of management transitions; the timing and contribution of future acquisitions; the effects of share repurchases; and the effects of the Company’s transformation initiatives, including its reorientation on, and growth strategy for, its pediatrics and obstetrics business.