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

FORM 10-Q

[X] QUARTERLY REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED JUNE 30, 2002

OR

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

Commission File Number 0-26762

PEDIATRIX MEDICAL GROUP, INC.
(Exact name of registrant as specified in its charter)

FLORIDA	65-0271219
(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 fiscal year, if changed since last report)

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 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 [X] No [ ]

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date:

Shares of Common Stock outstanding as of August 12, 2002: 25,559,274

PEDIATRIX MEDICAL GROUP, INC.

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PART I - FINANCIAL INFORMATION

Item 1. Financial Statements.

PEDIATRIX MEDICAL GROUP, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

	June 30, 2002 (Unaudited)	December 31, 2001
	(in thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 64,729	$ 27,557
Accounts receivable, net	68,189	63,851
Prepaid expenses	1,397	3,110
Deferred income taxes	13,219	5,515
Other assets	1,580	12,925
Total current assets	149,114	112,958
Property and equipment, net	14,838	14,836
Goodwill and other assets, net	464,549	445,305
Total assets	$628,501	$573,099
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 54,789	$ 73,203
Current portion of long-term debt and capital lease obligations	533	531
Income taxes payable	1,267	4,843
Total current liabilities	56,589	78,577
Long-term debt and capital lease obligations	2,556	2,675
Deferred income taxes	11,897	9,846
Deferred compensation	3,720	3,149
Total liabilities	74,762	94,247
Commitments and contingencies		
Shareholders' equity:		
Preferred stock; par value $.01 per share; 1,000,000 shares authorized; none issued and outstanding at June 30, 2002 and December 31, 2001	--	--
Common stock; par value $.01 per share; 50,000,000 shares authorized; 26,740,897 and 24,961,103 shares issued and outstanding at June 30, 2002 and December 31, 2001, respectively	267	250
Additional paid-in capital	386,400	341,973
Retained earnings	167,072	136,629
Total shareholders' equity	553,739	478,852
Total liabilities and shareholders' equity	$628,501	$573,099

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

PEDIATRIX MEDICAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
(Unaudited)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2002	2001	2002	2001
	(in thousands, except for per share data)			
Net patient service revenue	$ 116,223	$ 83,137	$ 223,505	$ 147,056
Operating expenses:				
Practice salaries and benefits	65,183	46,424	127,718	84,673
Practice supplies and other operating expenses	3,954	3,564	7,443	6,461
General and administrative expenses .	17,740	15,577	35,312	27,768
Depreciation and amortization	1,463	5,103	2,927	8,681
Total operating expenses	88,340	70,668	173,400	127,583
Income from operations	27,883	12,469	50,105	19,473
Investment income	222	73	375	146
Interest expense	(287)	(788)	(570)	(1,313)
Income before income taxes	27,818	11,754	49,910	18,306
Income tax provision	10,851	5,397	19,467	8,345
Net income	$ 16,967	$ 6,357	$ 30,443	$ 9,961
Per share data:				
Net income per common and common equivalent share:				
Basic	$ .64	$ .32	$ 1.18	$ .56
Diluted	$ .62	$ .30	$ 1.13	$ .53
Weighted average shares used in computing net income per common and common equivalent share:				
Basic	26,367	19,925	25,800	17,921
Diluted	27,426	21,292	27,022	19,010

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

PEDIATRIX MEDICAL GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

	Six Months Ended June 30, 2002	Six Months Ended June 30, 2001
	(in thousands)	
Cash flows from operating activities:		
Net income	$ 30,443	$ 9,961
Adjustments to reconcile net income to net cash provided from operating activities:		
Depreciation and amortization	2,927	8,681
Deferred income taxes	(7,600)	(3,814)
Changes in assets and liabilities:		
Accounts receivable	(4,338)	10,171
Prepaid expenses and other assets	1,058	(598)
Other assets	458	473
Accounts payable and accrued expenses	(6,455)	2,381
Income taxes payable	15,016	1,395
Net cash provided from operating activities	31,509	28,650
Cash flows used in investing activities:		
Physician group acquisition payments	(19,093)	(19,462)
Purchase of property and equipment	(2,926)	(3,240)
Net cash used in investing activities	(22,019)	(22,702)
Cash flows from financing activities:		
Payments on line of credit, net	--	(5,400)
Payments on long-term debt and capital lease obligations	(117)	(2,446)
Proceeds from issuance of common stock	27,799	3,263
Net cash provided from (used in) financing activities	27,682	(4,583)
Net increase in cash and cash equivalents	37,172	1,365
Cash and cash equivalents at beginning of period	27,557	3,075
Cash and cash equivalents at end of period	$ 64,729	$ 4,440

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

JUNE 30, 2002

(Unaudited)

1. BASIS OF PRESENTATION:

The accompanying unaudited condensed consolidated financial statements of Pediatrix Medical Group, Inc. presented in this Quarterly Report, and the notes thereto, do not include all disclosures required by accounting principles generally accepted in the United States of America 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 presentation of the results of interim periods. The financial statements include all the accounts of Pediatrix Medical Group, Inc., and its subsidiaries combined with the accounts of the professional associations (the "PA Contractors") with which the Company currently has specific management arrangements. The terms "Pediatrix" and the "Company" refer collectively to Pediatrix Medical Group, Inc., its subsidiaries, and the PA Contractors.

The results of operations for the three and six months ended June 30, 2002 are not necessarily indicative of the results of operations to be expected for the year ended December 31, 2002. The accompanying unaudited condensed 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 Annual Report on Form 10-K for the year ended December 31, 2001, as filed with the Securities and Exchange Commission.

2. ACCOUNTING PRONOUNCEMENTS:

Effective July 1, 2001, the Company adopted the nonamortization provisions of Statement of Financial Accounting Standards No. 142 ("FAS 142") "Goodwill and Other Intangible Assets," pertaining to goodwill recorded in connection with acquisitions consummated subsequent to June 30, 2001.

Effective January 1, 2002, the Company adopted the remaining provisions of FAS 142, which require the nonamortization of all goodwill and that goodwill be tested annually for impairment using a two-step process. The first step is to identify a potential impairment and the second step measures the amount of the impairment loss. The year of adoption of FAS 142 is considered a transition period and the timing of the tests is different than for future periods. The first step, identification of potential impairment, must be completed within six months of adoption and measured as of the beginning of the fiscal year. The second step, measurement of the impairment loss, must be completed by the end of the fiscal year if a potential impairment is identified. The Company completed its analysis related to the first step during the second quarter of 2002 and did not identify any goodwill impairment as a result of the adoption of FAS 142.

Excluding the impact of amortization expense, net of tax, for the three and six months ended June 30, 2001, pro forma net income and net income per share is as follows:

	Three Months Ended June 30, 2001	Six Months Ended June 30, 2001
	(in thousands, except for per share data)	
Net income	$ 9,567	$ 15,197
Net income per share:		
Basic	.48	.85
Diluted	.45	.80

(Unaudited)

3. BUSINESS ACQUISITIONS:

The Company completed the acquisition of five physician group practices during the six months ended June 30, 2002. Total consideration for the acquired practices was approximately $19.1 million in cash. The Company has accounted for the acquisitions using the purchase method of accounting. The results of operations of the acquired practices have been included in the Company's consolidated financial statements from the dates of acquisition.

The following unaudited pro forma information combines the consolidated results of operations of the Company and the physician group practices acquired during 2001 and 2002, including the acquisition of MAGELLA Healthcare Corporation ("Magella") on May 15, 2001 pursuant to a merger transaction (the "Merger"), as if the transactions had occurred on January 1, 2001:

	Six Months Ended June 30,	
	2002	2001
	(in thousands, except for per share data)	
Net patient service revenue	$ 226,206	$ 192,195
Net income	30,479	15,639
Net income per share:		
Basic	1.18	.87
Diluted	1.13	.82

4. ACCOUNTS PAYABLE AND ACCRUED EXPENSES:

Accounts payable and accrued expenses consist of the following:

	June 30, 2002	December 31, 2001
	(in thousands)	
Accounts payable	$ 9,672	$ 12,625
Accrued salaries and bonuses	18,131	21,811
Accrued payroll taxes and benefits	8,447	7,374
Accrued professional liability coverage	11,271	11,504
Accrued securities litigation settlement	--	12,000
Other accrued expenses	7,268	7,889
	$ 54,789	$ 73,203

5. NET INCOME PER SHARE:

Basic net income per share is calculated by dividing net income by the weighted average number of common shares outstanding during the applicable period. Diluted net income per share is calculated by dividing net income by the weighted average number of common and potential common shares outstanding during the applicable period. Potential common shares consist of the dilutive effect of convertible notes calculated using the if-converted method and outstanding options calculated using the treasury stock method. The calculation of diluted net income per share excludes the after-tax impact of interest expense related to convertible subordinated notes.

6. CONTINGENCIES:

On June 6, 2002, the Company received a written request from the Federal Trade Commission to submit information on a voluntary basis in connection with an investigation relating to issues of competition following the Merger. The Company is cooperating fully with the Federal Trade Commission, but at this time cannot predict the outcome of the investigation and whether it will have a material adverse effect on the Company's business, financial condition, results of operations or liquidity.

On May 3, 2002, the United States District Court for the Southern District of Florida entered an Order and Final Judgment approving the previously disclosed settlement of the securities class action litigation filed against the Company and certain of its officers in February 1999. Under the terms of the settlement, the plaintiffs' claim was dismissed with prejudice in exchange for a cash payment of $12.0 million.

In April 1999, the Company received requests from investigators in Arizona, Florida and Colorado for information related to its billing practices for services reimbursed by the Medicaid programs in those states and by the TRICARE program for military dependents. In 2000, the Arizona and Florida Medicaid investigations were closed after the Company entered into previously disclosed settlement agreements with those states. On April 16, 2002, the Company entered into a settlement agreement with the Colorado Department of Health Care Policy and Financing pursuant to which the Company made a cash payment of $1.3 million to the State of Colorado. This amount covered a refund of any overpayments made by the Colorado Medicaid program to the Company and its affiliated physicians and professional corporation for neonatal intensive care services billed during the period January 1, 1996 through April 16, 2002, interest on any such overpayments and expenses incurred by the State of Colorado in connection with its investigation. In addition, the Company has agreed to retain a third party to perform annual reviews of its billings to the Colorado Medicaid program.

The TRICARE investigation is active and ongoing and this matter, along with the Florida, Arizona and Colorado matters, have prompted inquiries by Medicaid officials in other states. The Company believes that additional audits, inquiries and investigations from government agencies will continue to occur in the ordinary course of its business and in the health care services industry in general from time to time. The Company cannot predict whether any such audits, inquiries and investigations will have a material adverse effect on the Company's business, financial condition, results of operations or liquidity.

6. CONTINGENCIES, CONTINUED:

During the ordinary course of business, the Company has become a party to pending and threatened legal actions and proceedings, most of which involve claims of medical malpractice and are generally covered by insurance. If liability results from medical malpractice claims, there can be no assurance that the Company's medical malpractice insurance coverage will be adequate to cover liabilities arising out of such proceedings. The Company believes, based upon its review of these pending matters, that the outcome of such legal actions and proceedings will not have a material adverse effect on its financial condition, results of operations or liquidity.

7. SUBSEQUENT EVENTS:

In July 2002, the Company's Board of Directors authorized the Company to repurchase up to $35 million of its common stock. Purchases under the repurchase program may be made in the open market or through privately negotiated transactions, subject to market conditions and trading restrictions. The repurchase program was effective on July 3, 2002, and as of August 12, 2002, the Company has repurchased approximately 1.2 million shares at a cost of approximately $33.3 million.

Subsequent to June 30, 2002, the Company acquired one physician group practice for $6 million in cash. The acquisition will be accounted for by the Company using the purchase method of accounting.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion highlights the principal factors affecting 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 consolidated financial statements and the accompanying notes presented in this Quarterly Report. As used herein, "us", "we" and "our" refer to Pediatrix Medical Group, Inc. together with its subsidiaries and its affiliated professional associations, corporations and partnerships.

Our unaudited condensed consolidated financial statements as of June 30, 2002, and for each of the three and six months ended June 30, 2002 and 2001 presented in this Quarterly Report, and the notes thereto, have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial statements and the rules and regulations of the Securities and Exchange Commission for interim financial statements, and should be read in conjunction with the discussion of our critical accounting policies discussed in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission. The consolidated results of operations for the interim periods reported are not necessarily indicative of the results to be experienced for the entire fiscal year.

The matters discussed in Management's Discussion and Analysis of Financial Condition and Results of Operations contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Statements that are not historical facts are forward-looking and are based on estimates, forecasts and assumptions involving risks and uncertainties that could cause actual results or outcomes to differ materially from those expressed in the forward-looking statements. See "Caution Concerning Forward-Looking Statements" below.

RESULTS OF OPERATIONS

THREE MONTHS ENDED JUNE 30, 2002 AS COMPARED TO THREE MONTHS ENDED JUNE 30, 2001

Our net patient service revenue increased $33.1 million, or 39.8%, to $116.2 million for the three months ended June 30, 2002, as compared with $83.1 million for the same period in 2001. Of this $33.1 million increase, approximately $21.0 million, or 63.4%, was attributable to new units at which we provide services as a result of acquisitions, including units that were obtained when we acquired MAGELLA Healthcare Corporation ("Magella") in a merger transaction that was completed on May 15, 2001 (the "Merger"). Same unit patient service revenue increased approximately $12.1 million, or 18.3%, for the three months ended June 30, 2002. The increase in same unit net patient service revenue is primarily the result of: (i) the flow through of price increases implemented on June 1, 2001; (ii) improved collection performance; (iii) improved managed care contracting; (iv) increased revenue from new services provided in existing practices; and (v) .5 percent volume growth. Same units are those units at which we provided services for the entire current period and the entire comparable period.

Practice salaries and benefits increased $18.8 million, or 40.4%, to $65.2 million for the three months ended June 30, 2002, as compared with $46.4 million for the same period in 2001. The increase was attributable to: (i) costs associated with new physicians and other clinical staff as a result of the Merger and new unit growth; (ii) an increase in incentive compensation as a result of same store growth and operational improvements at the physician practice level; and (iii) an increase in professional liability insurance costs.

Practice supplies and other operating expenses increased $390,000, or 10.9%, to $4.0 million for the three months ended June 30, 2002, as compared with $3.6 million for the same period in 2001. The increase was attributable to new units at which we provide services as a result of acquisitions, including units that were obtained in the Merger.

General and administrative expenses include all salaries, benefits, supplies and other operating expenses not specifically related to the day-to-day operations of our physician group practices, including billing and collection functions. General and administrative expenses increased $2.1 million, or 13.9%, to $17.7 million for the three months ended June 30, 2002, as compared to $15.6 million for the same period in 2001. This $2.1 million increase was primarily due to: (i) salaries and benefits incurred as we continued our efforts to regionalize our operations; (ii) information services for the development and support of clinical and operational systems; (iii) legal fees related to the Colorado Medicaid investigation which was concluded in April 2002 and the Federal Trade Commission investigation initiated in June 2002; (iv) increased costs for services provided to the practices acquired in the Merger; and (v) increased insurance costs.

Earnings before interest, taxes, depreciation and amortization (EBITDA) increased by approximately $11.7 million, or 67.0%, to approximately $29.3 million for the three months ended June 30, 2002, as compared with $17.6 million for the same period in 2001. EBITDA margin increased by 4.1 percentage points to 25.2%, as compared with 21.1% for the same period in 2001. The EBITDA margin improvement is primarily due to the decline in general and administrative expenses as a percentage of net patient service revenue.

Depreciation and amortization expense decreased by approximately $3.6 million, or 71.3%, to $1.5 million for the three months ended June 30, 2002, as compared with $5.1 million for the same period in 2001, as a result of the adoption of the nonamortization provisions of Financial Accounting Standards No. 142 ("FAS 142") as discussed in Note 2 - "Accounting Pronouncements" of the accompanying unaudited condensed consolidated financial statements. Excluding the impact of amortization for the three months ended June 30, 2001, depreciation and amortization increased approximately $289,000, primarily due to fixed assets acquired in the Merger.

Income from operations increased approximately $15.4 million, or 123.6%, to approximately $27.9 million for the three months ended June 30, 2002, as compared with $12.5 million for the same period in 2001. Our operating margin increased 9.0 percentage points to 24.0% for the three months ended June 30, 2002, as compared to 15.0% for the same period in 2001. Excluding the impact of amortization for the three months ended June 30, 2001, income from operations increased approximately $11.5 million and operating margin increased by 4.3 percentage points.

We recorded net interest expense of approximately $65,000 for the three months ended June 30, 2002, as compared with net interest expense of approximately $715,000 for the same period in 2001. The decrease in net interest expense in 2002 is primarily the result of a net reduction in the average balance outstanding under our line of credit. Interest expense for the three months ended June 30, 2002 consists primarily of commitment fees and amortized deferred debt costs associated with our line of credit.

Our effective income tax rates were approximately 39.0% and 45.9% for the three months ended June 30, 2002 and 2001, respectively. The decrease in the tax rate for the three months ended June 30, 2002 is primarily due to the elimination of non-deductible goodwill amortization as required under the provisions of FAS 142 (see Note 2 - "Accounting Pronouncements").

Net income increased to approximately $17.0 million for the three months ended June 30, 2002, as compared to $6.4 million for the same period in 2001. Excluding the impact of amortization expense for the three months ended June 30, 2001, net income increased by $7.4 million.

Diluted net income per common and common equivalent share was $.62 on weighted average shares of 27.4 million for the three months ended June 30, 2002, as compared to $.30 on the weighted average shares of 21.3 million for same period in 2001. Excluding the impact of amortization expense on 2001, diluted net income per common and common equivalent share would have been $.45 for the three months ended June 30, 2001. The increase in weighted average shares outstanding is due to: (i) the shares issued in connection with the Merger which were outstanding from May 15, 2001; (ii) the dilutive effect of convertible subordinated notes and stock options assumed in the Merger; and (iii) an increase in outstanding shares due to stock option exercises and shares issued under our Employee Stock Purchase Plan.

SIX MONTHS ENDED JUNE 30, 2002 AS COMPARED TO SIX MONTHS ENDED JUNE 30, 2001

Our net patient service revenue increased $76.4 million, or 52.0%, to $223.5 million for the six months ended June 30, 2002, as compared with $147.1 million for the same period in 2001. Of this $76.4 million increase, approximately $53.3 million, or 69.8%, was attributable to new units at which we provide services as a result of acquisitions, including units that were obtained in the Merger. Same unit patient service revenue increased approximately $23.1 million, or 17.9%, for the six months ended June 30, 2002. The increase in same unit net patient service revenue is primarily the result of: (i) the flow through of price increases implemented on June 1, 2001; (ii) improved collection performance; (iii) an increase in patient days of approximately 3.2%; and (iv) improved managed care contracting. Same units are those units at which we provided services for the entire current period and the entire comparable period.

Practice salaries and benefits increased $43.0 million, or 50.8%, to $127.7 million for the six months ended June 30, 2002, as compared with $84.7 million for the same period in 2001. The increase was attributable to: (i) costs associated with new physicians and other clinical staff as a result of the Merger and to support new unit growth and volume growth at existing units; (ii) an increase in incentive compensation as a result of same store growth and operational improvements at the physician practice level; and (iii) an increase in professional liability insurance costs.

Practice supplies and other operating expenses increased $982,000, or 15.2%, to $7.4 million for the six months ended June 30, 2002, as compared with $6.5 million for the same period in 2001. The increase was attributable to new units at which we provide services as a result of acquisitions, including units that were obtained in the Merger.

General and administrative expenses include all salaries, benefits, supplies and other operating expenses not specifically related to the day-to-day operations of our physician group practices, including billing and collection functions. General and administrative expenses increased $7.5 million, or 27.2%, to $35.3 million for the six months ended June 30, 2002, as compared to $27.8 million for the same period in 2001. This $7.5 million increase was primarily due to: (i) increased costs for services provided to the practices acquired in the Merger; (ii) settlement costs of $1.3 million related to the Colorado Medicaid investigation; (iii) salaries and benefits incurred as we continued our efforts to regionalize our operations; (iv) information services for the development and support of clinical and operational systems; (v) legal fees related to the Colorado Medicaid investigation which was concluded in April 2002 and the Federal Trade Commission investigation initiated in June 2002; and (vi) increased insurance costs. .

EBITDA increased by approximately $24.8 million, or 88.4%, to approximately $53.0 million for the six months ended June 30, 2002, as compared with $28.2 million for the same period in 2001. EBITDA margin increased by 4.6 percentage points to 23.7%, as compared with 19.1% for the same period in 2001. The EBITDA margin improvement is primarily due to the decline in general and administrative expenses as a percentage of net patient service revenue.

Depreciation and amortization expense decreased by approximately $5.8 million, or 66.3%, to $2.9 million for the six months ended June 30, 2002, as compared with $8.7 million for the same period in 2001, primarily as a result of the adoption of the nonamortization provisions of FAS 142 as discussed in Note 2 - - "Accounting Pronouncements" of the accompanying unaudited condensed consolidated financial statements. Excluding the impact of amortization for the six months ended June 30, 2001, depreciation and amortization increased approximately $853,000, primarily due to fixed assets acquired in the Merger.

Income from operations increased approximately $30.6 million, or 157.3%, to approximately $50.1 million for the six months ended June 30, 2002, as compared with $19.5 million for the same period in 2001. Our operating margin increased 9.2 percentage points to 22.4% for the six months ended June 30, 2002, as compared to 13.2% for the same period in 2001. Excluding the impact of amortization for the six months ended June 30, 2001, income from operations increased approximately $24.0 million and operating margin increased by 4.7 percentage points.

We recorded net interest expense of approximately $195,000 for the six months ended June 30, 2002, as compared with net interest expense of approximately $1.2 million for the same period in 2001. The decrease in interest expense in 2002 is primarily the result of a net reduction in the average balance outstanding under our line of credit. Interest expense for the six months ended June 30, 2002 consists primarily of commitment fees and amortized deferred debt costs associated with our line of credit.

Our effective income tax rates were approximately 39.0% and 45.6% for the six months ended June 30, 2002 and 2001, respectively. The decrease in the tax rate for the six months ended June 30, 2002 is primarily due to the elimination of non-deductible goodwill amortization as required under the provisions of FAS 142 (see Note 2 - "Accounting Pronouncements").

Net income increased to approximately $30.4 million for the six months ended June 30, 2002, as compared to $10.0 million for the same period in 2001. Excluding the impact of amortization expense for the six months ended June 30, 2001, net income increased by $15.2 million.

Diluted net income per common and common equivalent share was $1.13 on weighted average shares of 27.0 million for the six months ended June 30, 2002, as compared to $.53 on the weighted average shares of 19.0 million for same period in 2001. Excluding the impact of amortization expense on 2001, diluted net income per common and common equivalent share would have been $.80 for the six months ended June 30, 2001. The significant increase in weighted average shares outstanding is due to: (i) the shares issued in connection with the Merger which were outstanding from May 15, 2001; (ii) the dilutive effect of convertible subordinated notes and stock options assumed in the Merger; and (iii) an increase in outstanding shares due to stock option exercises and shares issued under our Employee Stock Purchase Plan.

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2002, we had working capital of approximately $92.5 million, an increase of $58.1 million from working capital of $34.4 million at December 31, 2001. The increase in working capital is primarily due to net income generated in the first half of 2002 and cash proceeds generated from the issuance of common stock as a result of stock option exercises in the first half of 2002.

In July 2002, our Board of Directors authorized us to repurchase up to $35 million of our common stock. Purchases under the repurchase program may be made in the open market or through privately negotiated transactions, subject to market conditions and trading restrictions. The repurchase program was effective on July 3, 2002, and as of August 12, 2002, we have repurchased approximately 1.2 million shares at a cost of approximately $33.3 million.

As discussed in Note 2 - "Accounting Pronouncements" of the accompanying unaudited condensed consolidated financial statements, effective January 1, 2002, we adopted the remaining provisions of FAS 142, which require the nonamortization of all goodwill and that goodwill be tested annually for impairment. We completed our initial testing during the second quarter of 2002 and did not identify any goodwill impairment as a result of the adoption of FAS 142.

We maintain professional liability coverage that indemnifies us and our health care professionals on a claims-made basis for losses incurred related to medical malpractice litigation with a portion of self insurance retention. We record a liability for self-insured deductibles and an estimated liability for malpractice claims incurred but not reported based on actuarial valuations. Effective May 1, 2002, we obtained professional liability insurance coverage that expires on April 30, 2003. Such coverage includes a higher level of self-insured retention and a significant increase in premium costs as compared to our prior policies.

In the third quarter of 2001, we refinanced our $75 million line of credit, which matured on September 30, 2001, with an amended and restated credit agreement (the "Line of Credit") in the amount of $100 million. At our option, the Line of Credit, which matures on August 14, 2004, bears interest at either the prime rate or the Eurodollar rate plus an applicable margin rate ranging from 2% to 2.75%. The Line of Credit is collateralized by substantially all of our assets. We are subject to certain covenants and restrictions specified in our Line of Credit, including covenants that require us to maintain a minimum level of net worth and earnings and a restriction on the payment of dividends and certain other distributions, as specified therein. At June 30, 2002, we were in compliance with such financial covenants. At June 30, 2002, we had no outstanding balances under our Line of Credit.

Our annual capital expenditures have typically been for computer hardware and software, ultrasound equipment at our outpatient offices, and for furniture, equipment and improvements at the corporate headquarters and our regional offices. During the six months ended June 30, 2002, capital expenditures amounted to approximately $2.9 million.

We anticipate that funds generated from operations, together with cash on hand, and funds available under our Line of Credit will be sufficient to meet our working capital requirements and finance required capital expenditures for at least the next 12 months.

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. Such 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 or our management intend, expect, project, believe or anticipate will or may occur in the future. Such statements are often characterized by terminology such as "believe," "hope," "may," "anticipate," "should," "intend," "plan," "will," "expect," "estimate," "project," "positioned," "strategy" and similar expressions. These statements 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. We disclaim any 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 that could cause actual results, developments and business decisions to differ materially from those contemplated by such forward-looking statements.

Some of the factors that may cause actual results, developments and business decisions to differ materially from those projected or anticipated by such forward-looking statements, as more fully discussed under the section entitled "Risk Factors" in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission, include pending and future investigations by federal and state government authorities of our billing or other practices; determinations that we failed to comply with applicable health care laws and regulations; limitations, reductions or retroactive adjustments in reimbursement amounts or rates by government-sponsored health care programs; audits by third party payors with respect to our billings for services; failure of physicians affiliated with us to appropriately record and document the services that they provide; our failure to find suitable acquisition candidates or successfully integrate any future or recent acquisitions; impairment of long-lived assets, such as goodwill; federal and state health care reform, including changes in the interpretation of government-sponsored health care programs; failure to successfully recruit additional and retain existing qualified physicians; malpractice and other lawsuits; our failure to manage growth effectively and to maintain effective and efficient information systems; our failure to collect reimbursements from third party payors in a timely manner; cancellation or non-renewal of our arrangements with hospitals, or renewal of such arrangements on less favorable terms; loss of our affiliated physicians' privileges or ability to provide services in hospitals, or hospitals entering into arrangements with physicians not affiliated with us; and increased competition in the health care industry. In addition, the market price of our common stock may be impacted by the large number of shares eligible for sale without restriction as described under the section entitled "Risk Factors" in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Our Line of Credit and certain operating lease agreements are subject to market risk and interest rate changes. The total amount available under our Line of Credit is $100 million. At our option, the Line of Credit bears interest at either the prime rate or the Eurodollar rate plus an applicable margin rate ranging from 2% to 2.75%. The leases bear interest at LIBOR-based variable rates. There was no outstanding principal balance on the Line of Credit at June 30, 2002. The outstanding balances related to the operating leases totaled approximately $16.5 million at June 30, 2002. Considering the total outstanding balances under these instruments at June 30, 2002 of approximately $16.5 million, a 1% change in interest rates would result in an impact to pre-tax earnings of approximately $165,000 per year.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

On June 6, 2002, we received a written request from the Federal Trade Commission to submit information on a voluntary basis in connection with an investigation relating to issues of competition following the Merger. We are cooperating fully with the Federal Trade Commission, but at this time we cannot predict the outcome of the investigation and whether it will have a material adverse effect on our business, financial condition, results of operations or liquidity.

On May 3, 2002, the United States District Court for the Southern District of Florida entered an Order and Final Judgment approving the previously disclosed settlement of the securities class action litigation filed against us and certain of our officers in February 1999. Under the terms of the settlement, the plantiffs' claim was dismissed with prejudice in exchange for a cash payment of $12.0 million.

In April 1999, we received requests from investigators in Arizona, Florida and Colorado for information related to our billing practices for services reimbursed by the Medicaid programs in those states and by the TRICARE program for military dependents. In 2000, the Arizona and Florida Medicaid investigations were closed after we entered into previously disclosed settlement agreements with those states. On April 16, 2002, we entered into a settlement agreement with the Colorado Department of Health Care Policy and Financing pursuant to which we made a cash payment of $1.3 million to the State of Colorado. This amount covered a refund of any overpayments made by the Colorado Medicaid program to us and our affiliated physicians and professional corporation for neonatal intensive care services billed during the period January 1, 1996 through April 16, 2002, interest on any such overpayments and expenses incurred by the State of Colorado in connection with its investigation. In addition, we have agreed to retain a third party to perform annual reviews of our billings to the Colorado Medicaid program.

The TRICARE investigation remains active and ongoing and this matter, along with the Florida, Arizona and Colorado matters, have prompted inquiries by Medicaid officials in other states. We believe that additional audits, inquiries, and investigations from government agencies will continue to occur in the ordinary course of business and in the health care services industry in general from time to time. We cannot predict whether any such audits, inquiries and investigations will have a material adverse effect on our business, financial condition, results of operations or liquidity.

During the ordinary course of business, we have become a party to pending and threatened legal actions and proceedings, most of which involve claims of medical malpractice and are generally covered by insurance. If liability results from medical malpractice claims, there can be no assurance that our medical malpractice insurance coverage will be adequate to cover liabilities arising out of such proceedings. We believe, based upon our review of these pending matters, that the outcome of such legal actions and proceedings will not have a material adverse effect on our financial condition, results of operations or liquidity.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY-HOLDERS.

The Company's annual meeting of shareholders was held on May 14, 2002. Proposals 1 and 2 described below were approved.

Proposal 1. ELECTION OF DIRECTORS

The following directors were elected at the meeting to serve a one-year term as directors:

Name	For	Against or Withheld
Cesar L. Alvarez	21,569,356	547,179
Kristen Bratberg	21,070,532	1,046,003
Waldemar A. Carlo, M.D.	21,600,725	515,810
John K. Carlyle	21,095,009	1,021,526
M. Douglas Cunningham, M.D.	21,464,734	651,800
Michael B. Fernandez	21,572,156	544,379
Roger K. Freeman, M.D.	21,646,887	469,648
Roger J. Medel, M.D, M.B.A.	21,071,701	1,044,833
Ian M. Ratner, M.D.	20,940,993	1,175,542

Proposal 2. AMENDMENTS TO EMPLOYEE STOCK PURCHASE PLANS

The directors' proposal to approve amendments to the Company's employee stock purchase plans to reduce the maximum number of shares to be issued under the Qualified Plan by 250,000 shares and to increase the maximum number of shares to be issued under the Non-Qualified Plan by an equal amount was approved.

For	Against or Withheld	Abstain	Broker Non-Vote
20,381,247	1,706,174	29,113	0

ITEM 6. EXHIBITS AND REPORTS ON FORM 8-K.

(a) EXHIBITS.

See Exhibit Index.

(b) REPORTS ON FORM 8-K.

Form 8-K, filed April 18, 2002, reporting Item 5 (Other Events) related to an agreement with the Colorado Department of Health Care Policy and Financing concluding the State of Colorado's three-year investigation into our billings to Colorado's Medicaid program.

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: August 14, 2002	By: /s/ Roger J. Medel, M.D. Roger J. Medel, M.D., Chairman of the Board, Chief Executive Officer and Director (principal executive officer)
Date: August 14, 2002	By: /s/ Karl B. Wagner Karl B. Wagner, Chief Financial Officer (principal financial and accounting officer)

EXHIBIT INDEX

Exhibit No.	Description
3.1	Amended and Restated Articles of Incorporation of Pediatrix (incorporated by reference to Exhibit 3.1 to Pediatrix's Registration Statement on Form S-1 (Registration No. 33-95086)).
3.2	Amendment and Restated Bylaws of Pediatrix (incorporated by reference to Exhibit 3.2 to Pediatrix's Quarterly Report on Form 10-Q for the period ended June 30, 2000).
3.3	Articles of Designation of Series A Junior Participating Preferred Stock (incorporated by reference to Exhibit 3.1 to Pediatrix's current report on Form 8-K dated March 31, 1999).
10.1*	Amendment No. 2 to Amended and Restated Credit Agreement, dated as of June 28, 2002, among Pediatrix, certain professional contractors, Fleet National Bank, U.S. Bank National Association, and HSBC Bank USA.
11.1*	Statement Re: Computation of Per Share Earnings.
99.1*	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
99.2*	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

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* Filed herewith.

Exhibit 10.1

PEDIATRIX MEDICAL GROUP

AMENDED AND RESTATED CREDIT AGREEMENT

Originally Dated as of June 27, 1996
As Amended and Restated as of November 1, 2000
As Amended and Restated as of August 14, 2001
As Amended as of August 29, 2001

AMENDMENT NO. 2

Dated as of June 28, 2002

FLEET NATIONAL BANK, AGENT AND LENDER
U.S. BANK NATIONAL ASSOCIATION, SYNDICATION AGENT AND LENDER
HSBC BANK USA, DOCUMENTATION AGENT AND LENDER
FLEET SECURITIES, INC., ARRANGER

AMENDMENT NUMBER 2 TO
AMENDED AND RESTATED CREDIT AGREEMENT

Dated as of June 28, 2002

This agreement, dated as of June 28, 2002 (this "AMENDMENT"), is among Pediatrix Medical Group, Inc., a Florida corporation, the Material Related Entities of Pediatrix Medical Group, Inc. from time to time party hereto, and the Lenders from time to time party hereto including Fleet National Bank, formerly known as The First National Bank of Boston, both in its capacity as a Lender and in its capacity as an Agent, U.S. Bank National Association, formerly known as Firstar Bank N.A., both in its capacity as a Lender and in its capacity as Syndication Agent, and HSBC Bank USA, both in its capacity as a Lender and in its capacity as Documentation Agent. The parties agree as follows:

1. CREDIT AGREEMENT; DEFINITIONS.

1.1. CREDIT AGREEMENT. This Amendment amends the Credit Agreement originally dated as of June 27, 1996, as amended and restated as of November 1, 2000, as further amended and restated as of August 14, 2001 and as amended as of August 29, 2001 among the parties hereto (as in effect prior to giving effect to this Amendment, the "CREDIT AGREEMENT").

1.2. DEFINITIONS. Terms used in this Amendment but not defined herein are used as defined in the Credit Agreement.

2. AMENDMENTS. Effective upon the date all the conditions set forth in Section 4 hereof are satisfied, which conditions must be satisfied no later than the date provided therein, the Credit Agreement is amended as follows:

2.1. SECTION 6.10. Section 6.10 of the Credit Agreement is hereby amended to read in its entirety as follows:

"6.10. DISTRIBUTIONS. None of the Borrowers shall make any Distribution except the following: (i) Distributions in respect of the redemption of capital stock of the Company from employees of any Borrower; PROVIDED, HOWEVER, that the amount of all such Distributions shall not exceed $500,000 in the aggregate in any fiscal year; (ii) other Distributions in respect of the redemption of capital stock of the Company; PROVIDED, HOWEVER, that the amount of all such Distributions shall not exceed $50,000,000 in the aggregate during the lifetime of this agreement; (iii) Distributions to the Company by its Subsidiaries; (iv) regularly scheduled payments of interest to the holders of the Subordinated Notes in accordance with the terms of such Subordinated Notes; and (v) regularly scheduled payments of interest to the holders of Approved Subordinated Debt or Approved Contingent Debt in accordance with the terms of such Approved Subordinated Debt or Approved Contingent Debt."

3. REPRESENTATION AND WARRANTY. In order to induce the Agent and the Lenders to enter into this Amendment, each of the Obligors jointly and severally represents and warrants that, after giving effect to this Amendment, no Default exists.

4. CONDITIONS. The effectiveness of this Amendment shall be subject to the satisfaction of the following condition, which condition must be satisfied no later than July 3, 2002 or this Amendment shall terminate:

4.1. PAYMENT OF FEES AND EXPENSES. The Company shall have paid to the Agent (a) for the account of the Lenders the fee as agreed between the Borrowers and the Lenders and (b) the reasonable legal fees and expenses of the Agent with respect to this Amendment and the transactions contemplated hereby.

5. MISCELLANEOUS. The Credit Agreement as amended by this Amendment (the "AMENDED CREDIT AGREEMENT") and all of the Credit Documents are each confirmed as being in full force and effect. This Amendment, the Amended Credit Agreement and the other Credit Documents referred to herein or therein constitute the entire understanding of the parties with respect to the subject matter hereof and thereof and supersede all prior and current understandings and agreements, whether written or oral. Each of this Amendment and the Amended Credit Agreement is a Credit Document and may be executed in any number of counterparts, which together shall constitute one instrument, and shall bind and inure to the benefit of the parties and their respective successors and assigns, including as such successors and assigns all holders of any Credit Obligation. This Amendment shall be governed by and construed in accordance with the laws (other than the conflict of law rules) of The Commonwealth of Massachusetts.

[THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, each of the undersigned has duly executed this Amendment (or caused this Amendment to be executed on its behalf by its officer or representative thereunto duly authorized) under seal as of the date first written above.

PEDIATRIX MEDICAL GROUP, INC. (Florida)

By: /s/ Karl B. Wagner

Karl B. Wagner, Chief Financial Officer

ALASKA NEONATOLOGY ASSOCIATES, INC.
AUGUSTA NEONATOLOGY ASSOCIATES, P.C.
DES MOINES PERINATAL CENTER, P.C.
FOOTHILL MEDICAL GROUP, INC.
FORT WORTH NEONATAL ASSOCIATES, P.A.
OBSTETRIX MEDICAL GROUP OF CALIFORNIA, A PROFESSIONAL CORPORATION
MAGELLA HEALTHCARE GROUP, L.P.
MAGELLA MEDICAL ASSOCIATES, P.A.
MAGELLA MEDICAL ASSOCIATES OF GEORGIA, P.C.
MAGELLA MEDICAL ASSOCIATES MIDWEST, P.C.
MAGELLA MEDICAL GROUP, INC. (d/b/a MAGELLA MEDICAL GROUP, A MEDICAL CORPORATION)
MAGELLA NEVADA, LLC
MAGELLA TEXAS, LLC
MARCIA J. PERNOLL, M.D. PROF. CORP. d/b/a OBSTETRIX MEDICAL GROUP OF NEVADA, LTD.
MOUNTAIN STATES NEONATOLOGY, INC.
NEONATAL AND PEDIATRIC INTENSIVE CARE MEDICAL GROUP, INC.
NEONATOLOGY ASSOCIATES, P.A.
NEONATOLOGY-CARDIOLOGY ASSOCIATES, P.A.
NEWBORN SPECIALISTS, P.C.
OBSTETRIX MEDICAL GROUP OF COLORADO, P.C.
OBSTETRIX MEDICAL GROUP OF KANSAS AND MISSOURI, P.A.
OBSTETRIX MEDICAL GROUP OF TEXAS, P.A.
OZARK NEONATAL ASSOCIATES, INC.

By: /s/ Karl B. Wagner

Karl B. Wagner, Attorney-in-Fact

PEDIATRIX MEDICAL GROUP OF ARKANSAS, P.A.
PEDIATRIX MEDICAL GROUP OF CALIFORNIA, A PROFESSIONAL CORPORATION
PEDIATRIX MEDICAL GROUP OF COLORADO, P.C.
PEDIATRIX MEDICAL GROUP OF GEORGIA, P.C.
PEDIATRIX MEDICAL GROUP OF INDIANA, P.C.
PEDIATRIX MEDICAL GROUP OF KANSAS, P.A.
PEDIATRIX MEDICAL GROUP OF MISSOURI, P.C.
PEDIATRIX MEDICAL GROUP OF OKLAHOMA, P.C.
PEDIATRIX MEDICAL GROUP OF PENNSYLVANIA, P.C.
PEDIATRIX MEDICAL GROUP OF PUERTO RICO, P.S.C.
PEDIATRIX MEDICAL GROUP OF TEXAS, P.A.
PEDIATRIX MEDICAL GROUP NEONATOLOGY AND PEDIATRIC INTENSIVE CARE SPECIALISTS OF NEW YORK, P.C.
PEDIATRIX MEDICAL GROUP
PEDIATRIX OF MARYLAND, P.A.
PERINATAL PEDIATRICS, P.A.
PERNOLL MEDICAL GROUP OF NEVADA, LTD. d/b/a PEDIATRIX MEDICAL GROUP OF NEVADA
SAVANNAH NEONATOLOGY, INC.
ST. JOSEPH NEONATOLOGY CONSULTANTS, P.A.
TEXAS MATERNAL FETAL MEDICINE, P.A.

By: /s/ Karl B. Wagner

Karl B. Wagner, Attorney-in-Fact

PEDIATRIX MEDICAL GROUP OF OHIO CORP.

By: /s/ Karl B. Wagner

Karl B. Wagner, Secretary

ASSOCIATES IN NEONATOLOGY, INC.
BNA ACQUISITION COMPANY, INC.
CENTRAL OKLAHOMA NEONATOLOGY
ASSOCIATES, INC.
FLORIDA REGIONAL NEONATAL ASSOCIATES, P.A.
GNPA ACQUISITION COMPANY, INC.
MAGELLA HEALTHCARE CORPORATION
MNPC ACQUISITION COMPANY, INC.
NACF ACQUISITION COMPANY, INC.
NEONATAL SPECIALISTS, LTD.
NSPA ACQUISITION COMPANY, INC.
OBSTETRIX MEDICAL GROUP OF ARIZONA, P.C.
OBSTETRIX MEDICAL GROUP OF DELAWARE, INC.
OBSTETRIX MEDICAL GROUP OF PENNSYLVANIA, P.C.
OBSTETRIX MEDICAL GROUP OF PHOENIX, P.C.
OBSTETRIX MEDICAL GROUP OF
WASHINGTON, INC., P.S.
OBSTETRIX MEDICAL GROUP, INC.
PALM BEACH NEO ACQUISITIONS, INC.
PASCV ACQUISITION COMPANY, INC.
PEDIATRIX MEDICAL GROUP OF DELAWARE, INC.
PEDIATRIX MEDICAL GROUP OF FLORIDA, INC.
PEDIATRIX MEDICAL GROUP OF NEW MEXICO, P.C.
PEDIATRIX MEDICAL GROUP OF SOUTH CAROLINA, P.A.
PEDIATRIX MEDICAL GROUP OF TENNESSEE, P.C.
PEDIATRIX MEDICAL GROUP OF WASHINGTON, INC., P.S.
PEDIATRIX MEDICAL GROUP, INC. (Utah)
PEDIATRIX MEDICAL GROUP, P.A.
PEDIATRIX MEDICAL GROUP, P.C. (Virginia)
PEDIATRIX MEDICAL GROUP, P.C. (West Virginia)
PMG ACQUISITION CORP.
PNA ACQUISITION CO., INC.
RPNA ACQUISITION COMPANY, INC.
SCPMC ACQUISITION CO.
SNCA ACQUISITION COMPANY, INC.

By: /s/ Karl B. Wagner

Karl B. Wagner, Treasurer

FLEET NATIONAL BANK

By: /s/ Carol Castle

Carol Castle, Director

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Walker S. Choppin

Walker S. Choppin, Senior Vice President

HSBC BANK USA

By: /s/ Christopher Harrocks

    Christopher Harrocks, Vice President

UBS AG, STAMFORD BRANCH

By: /s/ Wilfred V. Saint

Wilfred V. Saint, Associate Director
Banking Products Services, US

By: /s/ Susan Brunner

Susan Brunner, Associate Director
Banking Products Services, US

THE INTERNATIONAL BANK OF MIAMI, N.A.

By: /s/ Eduardo Hornero

Eduardo Hornero, Vice President

By: /s/ Jorge Maklouf

Jorge Maklouf, Senior Vice President

EXHIBIT 11.1

STATEMENT RE: COMPUTATION OF PER SHARE EARNINGS

	Three Months Ended June 30, 2002	Three Months Ended June 30, 2001	Six Months Ended June 30, 2002	Six Months Ended June 30, 2001
	(In thousands, except for per share data)			
Basic:				
Net income applicable to common stock	$16,967	$ 6,357	$30,443	$ 9,961
Weighted average number of common shares outstanding	26,367	19,925	25,800	17,921
Basic net income per share	$ .64	$ .32	$ 1.18	$ .56
Diluted:				
Net income	$16,967	$ 6,357	$30,443	$ 9,961
Interest expense on convertible subordinated debt, net of tax	8	55	16	55
Net income applicable to common stock	$16,975	$ 6,412	$30,459	$10,016
Weighted average number of common shares outstanding	26,367	19,925	25,800	17,921
Weighted average number of dilutive common stock equivalents	1,024	1,072	1,187	941
Dilutive effect of convertible subordinated debt	35	295	35	148
Weighted average number of common and common equivalent shares outstanding	27,426	21,292	27,022	19,010
Diluted net income per share	$ .62	$ .30	$ 1.13	$ .53

Exhibit 99.1

Certification Pursuant to Section 1350 of Chapter 63
Of Title 18 of the United States Code

I, Roger J. Medel, M.D., the Chief Executive Officer of Pediatrix Medical Group, Inc. hereby certify that (i) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2002 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 Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2002 fairly presents, in all material respects, the financial condition and results of operations of Pediatrix Medical Group, Inc.

/s/ Roger J. Medel, M.D.
- ------------------------------------
Roger J. Medel, M.D.
Chairman and Chief Executive Officer
August 14, 2002

Exhibit 99.2

Certification Pursuant to Section 1350 of Chapter 63
Of Title 18 of the United States Code

I, Karl B. Wagner, the Chief Financial Officer of Pediatrix Medical Group, Inc. hereby certify that (i) the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2002 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 Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2002 fairly presents, in all material respects, the financial condition and results of operations of Pediatrix Medical Group, Inc.

/s/ Karl B. Wagner
- ------------------------------
Karl B. Wagner
Chief Financial Officer
August 14, 2002