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Business overview

Key highlights

Recent financial performance and operational update

MEDNAX at a glance

Market cap: \$3.1 billion¹

2018 revenue: \$3.6 billion²

EV/2018 EBITDA: 8.9x¹

2018 Net debt/EBITDA: 3.4x²

Women's and Children's Services

FY '18 rev.: \$1.7bn (47% total)²

- Neonatology
- Newborn follow-up
- Newborn hearing screening
- Newborn nursery services
- Cardiology
- Developmental pediatrics
- Emergency medicine
- ENT
- Gastrointestinal
- Hospitalist services
- Infectious disease
- Intensive care
- Maternal-fetal medicine
- OB hospitalist services
- Ophthalmology
- Otolaryngology
- Plastic surgery
- Surgery
- Urology



Anesthesiology

FY '18 rev.: \$1.3bn (35% total)²

- Cardiothoracic
- Critical care
- Neurosurgical
- Obstetric
- Orthopedic
- Pain medicine
- Pediatric
- Regional

Radiology

FY '18 rev.: \$438mm (12% total)²




- Onsite radiology
- Teleradiology

Management Services



FY '18 rev.: \$219mm (6% total)²

- Billing and coding
- Eligibility and enrollment
- Patient pay
- Revenue recovery

Overview – Women’s and Children’s Services

	Overview	Segment snapshot	Growth opportunities
 Neonatology and other services	<ul style="list-style-type: none"> › Clinical care to babies born prematurely or with complications within specific units at hospitals, primarily NICUs 	<p>FY '18 rev: \$1,313mm (36% total)¹</p> <ul style="list-style-type: none"> › >400 NICUs¹ › ~1,270¹ affiliated neonatal physicians and ~365 pediatric clinicians in 36 states and Puerto Rico¹ 	<ul style="list-style-type: none"> › ~4 million births in the United States annually › ~14% require NICU admission › Market demand is a product of birth rates specific to each geographic area › New contract awards and expansion of existing contracts
 Maternal-fetal medicine	<ul style="list-style-type: none"> › Inpatient and office-based clinical care to expectant mothers and their unborn babies 	<p>FY '18 rev: \$292mm (8% total)¹</p> <ul style="list-style-type: none"> › ~365 affiliated maternal-fetal medicine subspecialists as well as obstetricians and other clinicians¹ 	
 Pediatric cardiology	<ul style="list-style-type: none"> › Inpatient and office-based pediatric cardiology care of the fetus, infant, child and adolescent patient with congenital heart defects and acquired heart disease 	<p>FY '18 rev: \$109mm (3% total)¹</p> <ul style="list-style-type: none"> › ~110 affiliated pediatric cardiologists¹ 	

Overview – Anesthesiology & Radiology

	Overview	Segment snapshot	Growth opportunities
 <p>Anesthesiology</p>	<ul style="list-style-type: none"> › Anesthesiologists work with certified registered nurse anesthetists (“CRNAs”), anesthesiologist assistants (“AAs”) and other clinicians to provide anesthesia care › Anesthesiologists support surgeons by providing medical care before, during and after surgery 	<p>FY '18 rev: \$1,276mm (35% total)¹</p> <ul style="list-style-type: none"> › Provides anesthesia care at >150 hospitals¹, 155 ambulatory surgery centers and office based practices › >1,315 affiliated anesthesiologists² 	<ul style="list-style-type: none"> › Population growth/aging population with more chronic disease › Expansion of procedures done with anesthesia e.g. colonoscopies › Improved access to surgical treatments in both inpatient and outpatient settings
 <p>Radiology</p>	<ul style="list-style-type: none"> › Diagnostic imaging, interventional radiology and nuclear medicine › Technology platform enabling radiology to be practiced at a national level, and teleradiology capabilities that can enhance efficiency and provide subspecialty access 	<p>FY '18 rev: \$438mm (12% total)¹</p> <ul style="list-style-type: none"> › Provides outsourced radiology and telemedicine services to >2,100 facilities¹ across all 50 states¹ 	<ul style="list-style-type: none"> › Highly fragmented market › General population growth / aging requiring more imaging › Teleradiology being driven by the need for around-the-clock attention and access to experts › Improved technology, enabling more widespread use of teleradiology

Our radiology strategy

Our initial investment in teleradiology



>2,100 hospital, health system and radiology group trusted partners



Proprietary technology platform and workflow solutions drive efficiency and improve quality



Largest radiology patient care benchmarking platform = statistically significant national and peer performance comparisons



>435 U.S. board-certified and eligible radiologists in all 50 states; majority are subspecialty trained



>6 million patient studies interpreted annually; >2 billion images processed on the world's largest and most advanced PACS



Integral Partner in IBM Watson Global Health Imaging Collaborative

Our acquisition strategy

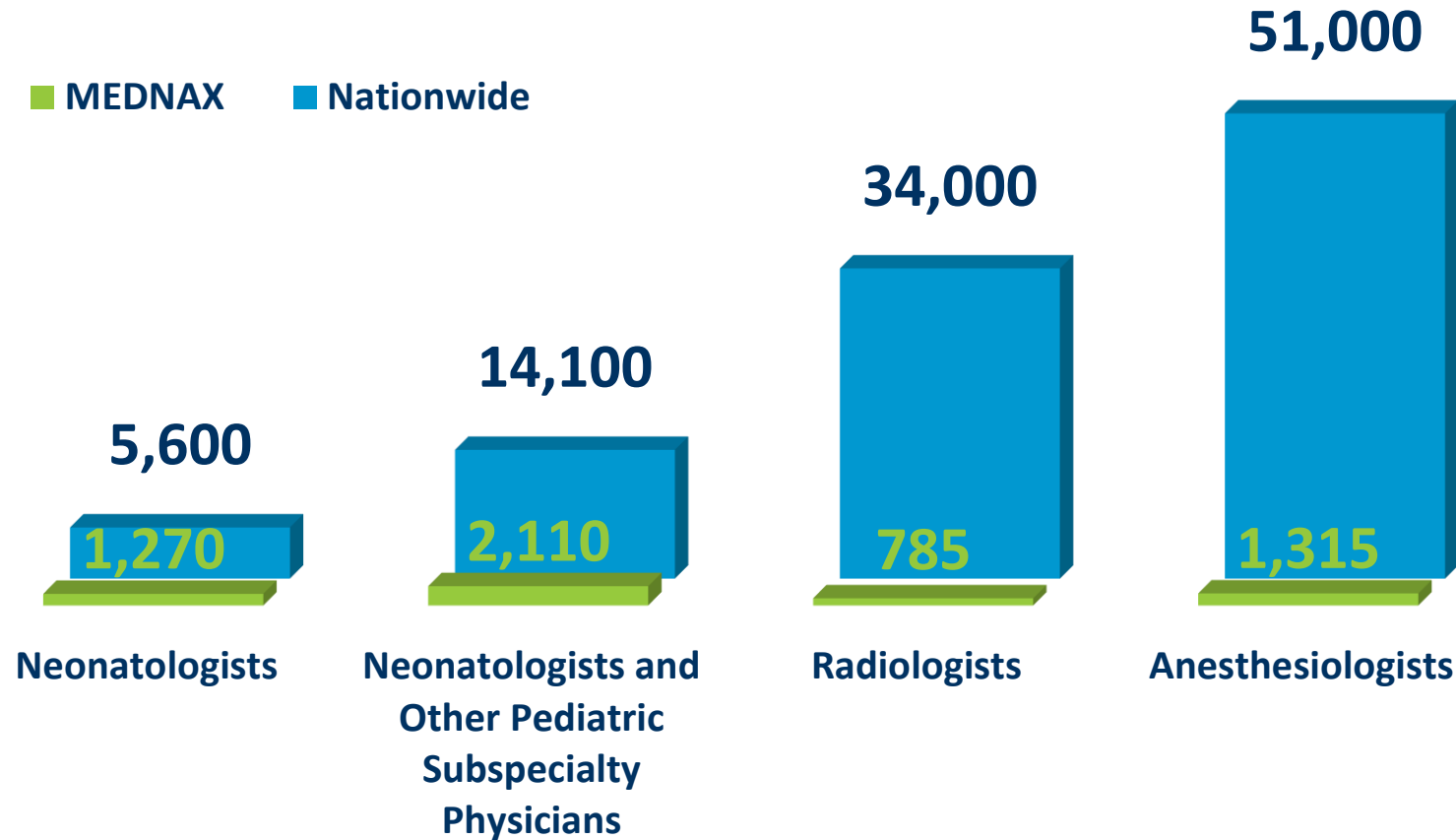
- Radiology represents \$18 billion of annual U.S. revenue
- Consolidation in the industry is largely small-scale; no single player with a >5% market share
- Radiology stands to benefit significantly from advances in technology and analytics
- Larger groups look to enhance their practices with MSO offerings
- Radiology is becoming more important in driving patient outcomes and augmenting population health
- Mobilizing the “Center of Excellence” model and protocols

Recent developments

- Target smaller, tuck-in acquisitions to expand existing practices and continue to expand footprint
- Three strategic acquisitions in Q4
 - In Florida, Nevada, and Tennessee
 - Strong geographic area with attractive growth opportunity and established presence through Women’s and Children’s services

Our addressable market

Positioning in Our Specialties – Physician Count



Currently >4,200 active physicians employed by or affiliated with MEDNAX

More than 95,000 U.S. physicians in our specialties

Currently pursuing a divestiture of the MedData platform

Description

- MedData is a leading provider of technology-enabled management services for hospitals and health systems that serve the entire patient financial lifecycle from pre-visit through post-discharge while improving the patient experience and helping them engage better with their providers.
- MedData provides services at over 2,600 healthcare facilities nationwide.

Rationale

- MedData's current opportunities are more parallel to, rather than central to, MEDNAX's current growth and development strategy.
- Separate ownership can provide the focus needed for MedData to reach its future potential and accelerate and enhance its service offerings.
- A divestiture would also allow MEDNAX to focus solely on physician services, which has been at the core of the Company for almost forty years.



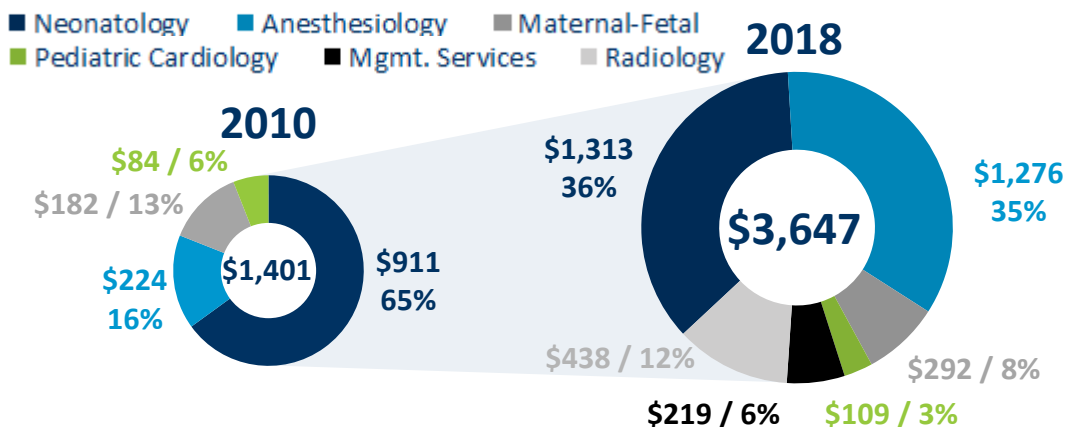
Business overview

Key highlights

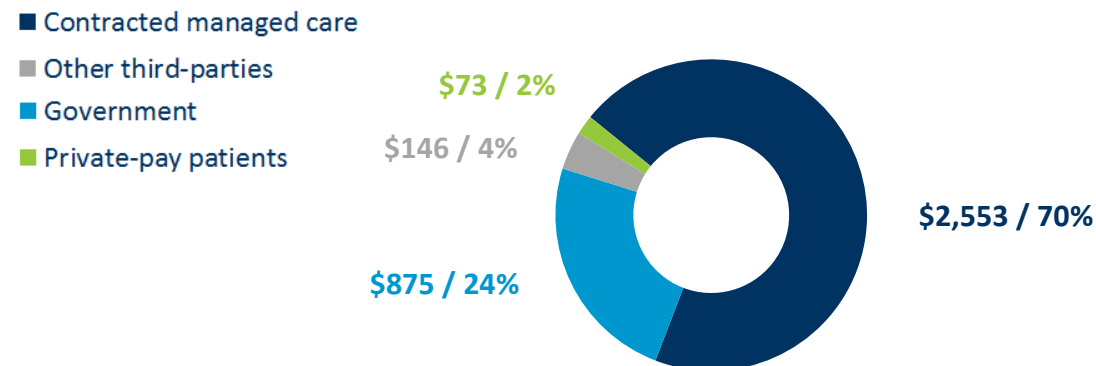
Recent financial performance and operational update

Diversified revenue mix with significant market presence

Historical revenue growth by service line (in mm)



2018 Revenue by payor type (in mm)



Market presence

570¹ hospital contracts

>4,200 physicians

In all 50 states, expanding from 33 states in 2010

Top 5 states responsible for 52% of total revenues

Diversification by service line

Radiology

- vRad acquired in 2015: 2015 revenue of **\$111mm**
- Onsite groups added in 2017: 2018 revenue of **\$438mm**

Anesthesiology

- 2011: 21% of revenue = **\$334mm**
- 2018: 35% of revenue = **\$1,276mm**

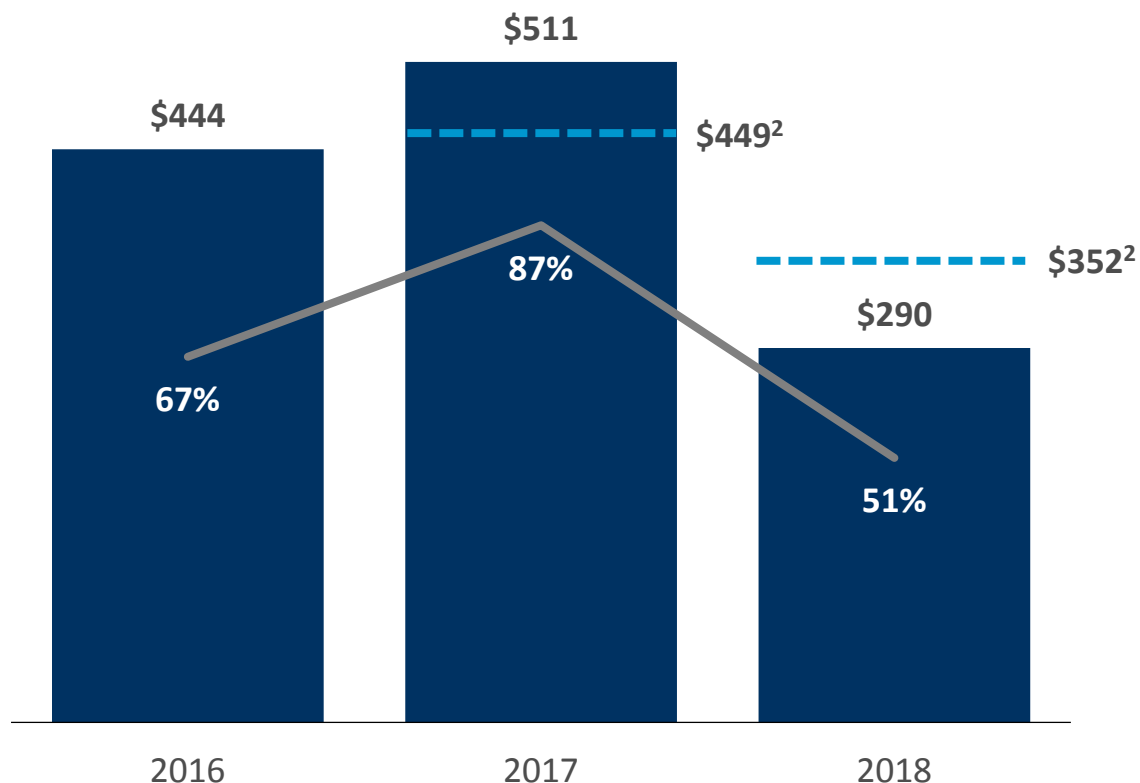
Multiple levers of embedded growth

Organic growth	Organic growth within existing customers	<ul style="list-style-type: none"> Organic growth opportunities within existing customer base as physicians and providers are increasingly looking to partner with large practice management companies Within Women's and Children's Services, continued focus on building on the breadth and diversity of our services
	Cross-selling opportunities	<ul style="list-style-type: none"> Strong existing relationships represent cross-selling opportunities Expansion within existing facilities through collaboration to address hospital partners' needs Focus on newborn nursery care and OB hospitalist services which represent attractive addressable markets Enhanced potential to establish teleradiology with onsite radiology practices
	Establishing new customers	<ul style="list-style-type: none"> Growth primarily driven by increased utilization of outsourced services by providers Potential customers in all segments remain underpenetrated, representing a large whitespace opportunity
	Operational improvements	<ul style="list-style-type: none"> Operating efficiencies across corporate and within practices, targeting \$120mm in annual improvements, with the goal of achieving this target through the end of 2019 Represents full realization of \$40mm in shared services improvements, as well as \$80mm in annualized improvements through our operational plans
Disciplined capital deployment	Women's and Children's Services	<ul style="list-style-type: none"> Extensive national footprint provides a robust platform for tuck-in acquisition Significant number of groups that remain private Consistently evaluating potential of new service lines and solutions
	Radiology	<ul style="list-style-type: none"> Highly fragmented market Unique value proposition that combines operational excellence and a robust teleradiology infrastructure Grown to \$438mm in 3 years (2015 → 2018) with meaningful additional upside

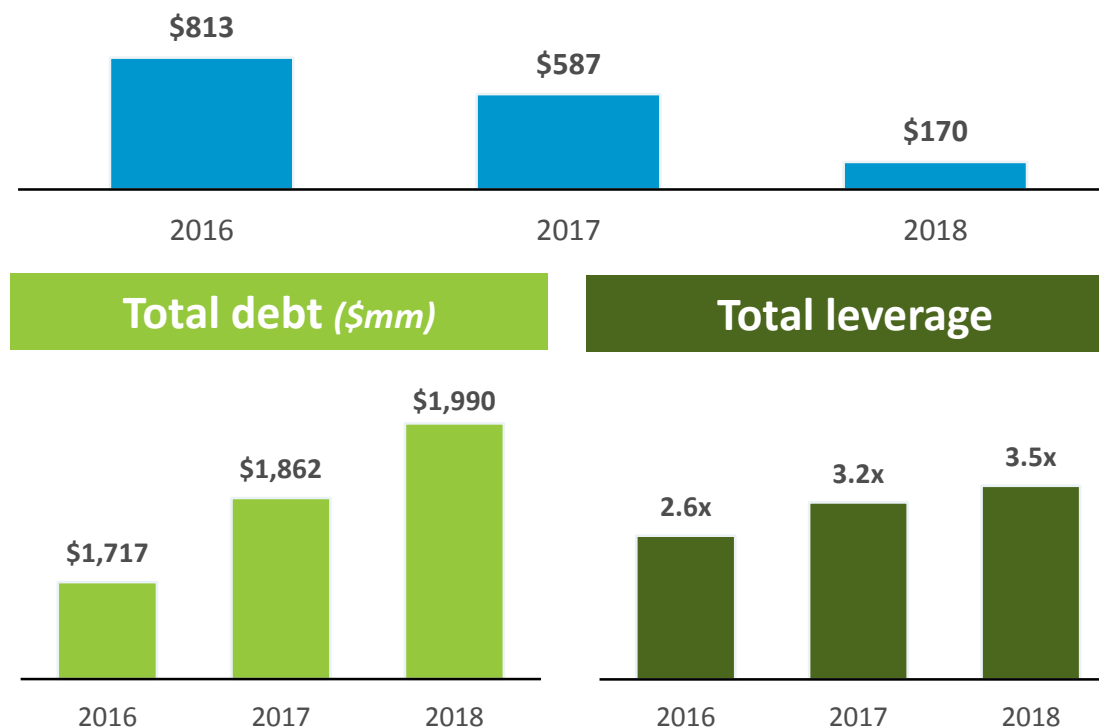
Strong financial profile with conservative capital structure

MEDNAX's strong cash flow enables it to invest in growth while maintaining modest leverage

Operating cash flow (\$mm) & conversion¹ (%)



Acquisitions³ and capital expenditures (\$mm)



(1) Operating cash flow/Reported EBITDA.

(2) Adjustment for 2017 tax incurred in Q3/Q4 2017, but paid in Q1 2018.

(3) Acquisition spend includes payments of contingent consideration and is net of cash acquired.



Business overview

Key highlights

Recent financial performance and operational update

Discussion of 2018 performance

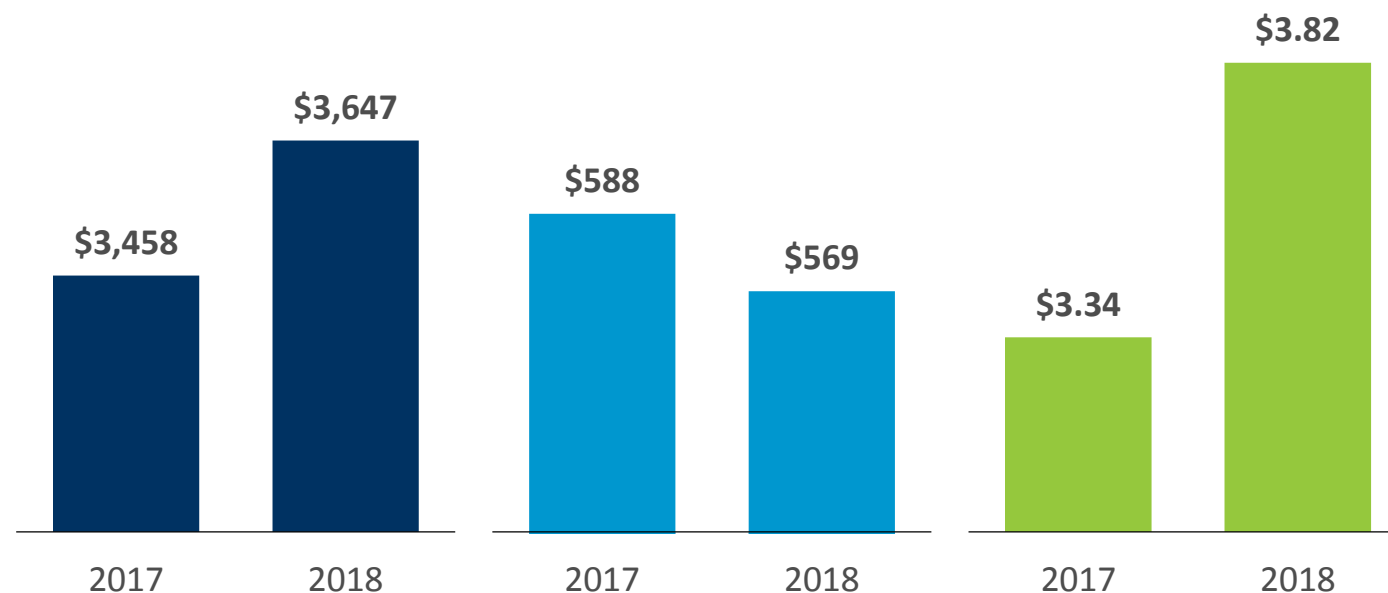
Key drivers of 2018 results

- Favorable same-unit growth of 2.7%
 - Volume growth 1.2%
 - Pricing growth 1.5%
- Contribution from shared services and operational initiatives
 - \$60 million realized improvement
- Positive impact to adjusted EPS from Tax Act of 2017
 - Effective tax rate 27.2% vs 39.0%
- EBITDA reflects temporary expenses related to contract non-renewal
 - \$18 million in 2H 2018
 - Costs have ceased as of 12/31/18

Revenue
+5.5% Y/Y

EBITDA
-3.2% Y/Y

Adjusted EPS
+14.4% Y/Y



\$mm, except per share metrics

Detailed review of operational and capital initiatives

In response to its external and operational challenges, MEDNAX undertook a thorough review of its operations and put in place the building blocks for improved performance

Targeting \$120 million in run-rate improvements by year-end 2019

- \$40 million shared services expense reduction
 - In-year 2018 realization of \$25 million
- \$80 million operational improvements
 - In-year 2018 realization of \$35 million

Targeted capital deployment toward acquisitive growth and share repurchases

Practice-level

- Clinical, operational, and consulting support for our physician groups
- Practice-specific action plans
- Hospital contract evaluations and renegotiations
- Advocacy and government relations

Corporate-level

- Near-term targets and action plan driving improvement in G&A
- Operational/cost efficiencies
- Process improvement initiatives
- Vendor optimization
- Service excellence

Capital Deployment

- Focus on radiology and women's and children's services
- Targeted opportunities in existing specialties
- Continued review of share repurchases

Capital structure and deployment

Recent activity

- Completed a \$250 million ASR in Q4 2018; \$250 million of authorization remaining
- In Q4 2018, MEDNAX purchased three radiology practices and one neonatology practice
- Initiated a process to sell MedData
- Expect 2019 to be a year of internal focus, modest transaction activity

Capital deployment (\$mm)

