



**MEDNAX**<sup>TM</sup>  
NATIONAL MEDICAL GROUP

Take great care of the patient<sup>TM</sup>



# Forward Looking Disclosure



*Certain statements and information in this presentation may be deemed to contain forward-looking statements which may include, but are not limited to, statements relating to our objectives, plans and strategies, and all statements, other than statements of historical facts, that address activities, events or developments that we intend, expect, project, believe or anticipate will or may occur in the future are forward-looking statements. These statements are often characterized by terminology such as “believe”, “hope”, “may”, “anticipate”, “should”, “intend”, “plan”, “will”, “expect”, “estimate”, “project”, “positioned”, “strategy” and similar expressions, and are based on assumptions and assessments made by MEDNAX’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 MEDNAX 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 MEDNAX’s most recent Annual Report on Form 10-K, and its Quarterly Reports on Form 10-Q, including the section entitled “Risk Factors”, as well as MEDNAX’s current reports on Form 8-K filed with the Securities and Exchange Commission.*

March 2010



- > 1,450 physicians organized as a national group practicing in more than 85 metropolitan areas in 33 states and Puerto Rico



- >900 physician subspecialists managing care at 250 NICUs
  - Maternal Fetal
    - >140 physicians
  - Pediatric Cardiology
    - >90 physicians
  - Pediatric Intensive Care
    - >60 physicians
  - Other Pediatric and Obstetric specialists
    - >60 physicians
- >180 physicians
  - >370 nurse anesthetists
    - Northern Virginia
    - Atlanta, GA
    - Raleigh, NC
    - Wilmington, NC

## Our Model

National group practice

Physicians to focus on care; administrative support to manage the practice

## Our Markets

Leading presence in niche neonatal, maternal-fetal, pediatric cardiology, pediatric subspecialties

Developing presence in large anesthesia specialty

## Our Results

Solid track record acquiring, integrating physician group practices into our established operations

- Generates consistent long-term growth
- Administrative infrastructure generates financial efficiencies
- Strong cash flow from operations, amounts available under revolving credit facility, will finance future growth

# Our Model: A National Group Practice



# National Group Practice: Clinical Care



- Physicians contribute to improving patient care:
  - Clinical Research
    - Five neonatal, maternal-fetal clinical trials completed
    - Seven clinical trials in progress
  - Education
    - Accredited CME provider
  - Continuous Quality Initiatives
    - Nutrition, respiratory management, antibiotic use
  - Outcomes database contributes to clinical body of knowledge
    - > 175 peer-reviewed literature contributions since 2000
    - Drives research and quality improvement efforts

# National Group Practice: Practice Administration



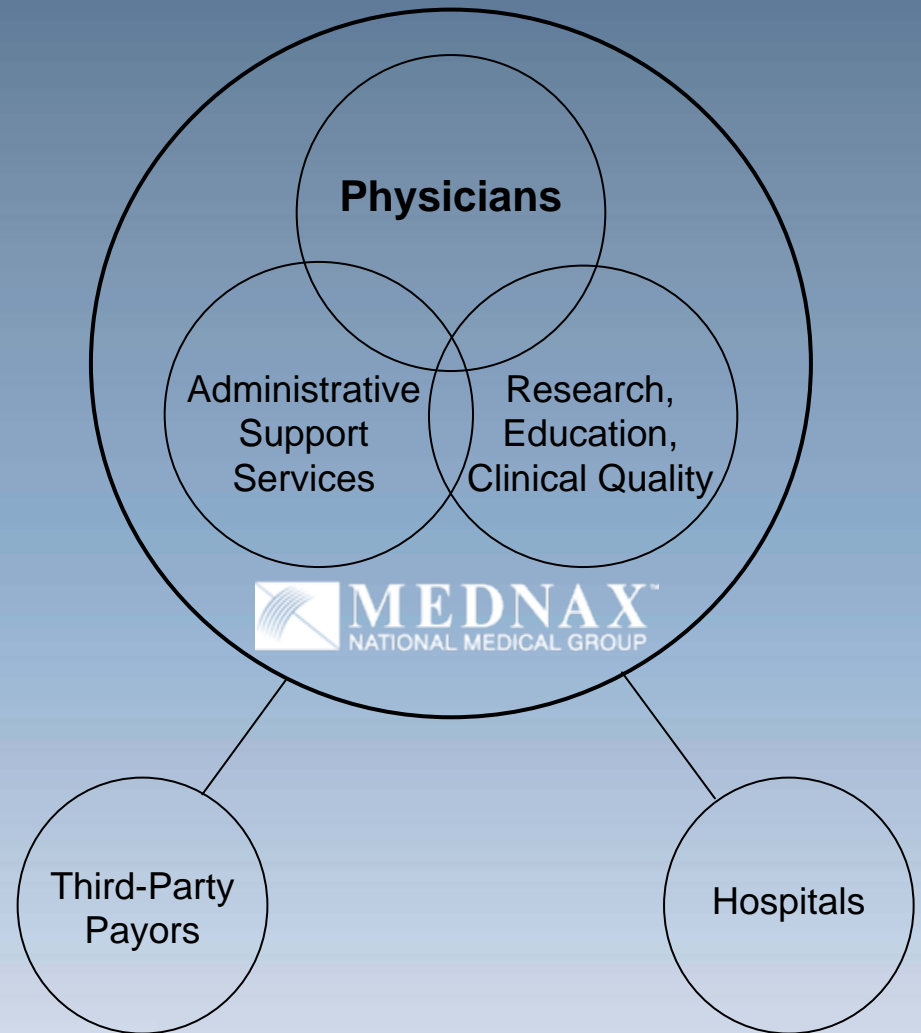
- MEDNAX's model responds to the challenging environment facing all physicians
- Improve Revenue Cycle Management
  - Contract fairly with third-party payors
  - Submit timely, accurate claims
  - Collect based on contracted rates
  - Improve collected revenue post acquisition
- Provide additional support
  - Comprehensive risk management, compliance
  - Recruiting, credentialing
  - Advocacy



# Our Business Model



- MEDNAX is at the center of three key relationships:
  - MEDNAX and affiliates employ physicians
  - MEDNAX contracts with hospitals to provide clinical care
  - MEDNAX contracts with third-party payors



# Physician Relationships



- Group practice structure
  - Employment contracts
  - Salary and bonus tied to practice profitability
- MEDNAX's value add is in robust clinical and administrative resources
  - Physicians to focus on patient care, improved outcomes
  - Collaborative approach to practicing medicine across our national group
    - Implementing evidence-based medicine in our specialties
  - Unparalleled administrative support
    - Physicians have more time with and for patients
- High physician retention
  - Approximately 5 percent annual turnover

# Hospital Relationships



- Service contract
  - Support referring physicians who admit patients to facilities
  - Mostly exclusive relationships
- Regional administrative infrastructure
  - Maintain hospital relationships
  - Provide important management layer
- Proven clinical quality, education initiatives
  - Support referral patterns to existing facilities
- Electronic health records
  - Improve hospital efficiency
- Very high contract retention

# Payor Relationships



- Regional management teams
  - Contracting professionals
    - Negotiate with commercial payors
  - Contracting and collections processes aligned to ensure efficiency
- Electronic health records drive billing
- Strong compliance program

# Our Model Works



- Physicians join because:
  - Challenging legal/regulatory environment
  - Business/administrative issues compete with physicians' clinical duties
  - MEDNAX offers a haven from the pressures of running a practice
- Physicians stay with MEDNAX because:
  - We deliver on our promises
- Physicians contribute to improving care within our subspecialties
  - We make it possible for doctors to be doctors

Our Markets:  
Neonatal-Maternal Fetal  
Pediatric Subspecialty  
Anesthesia



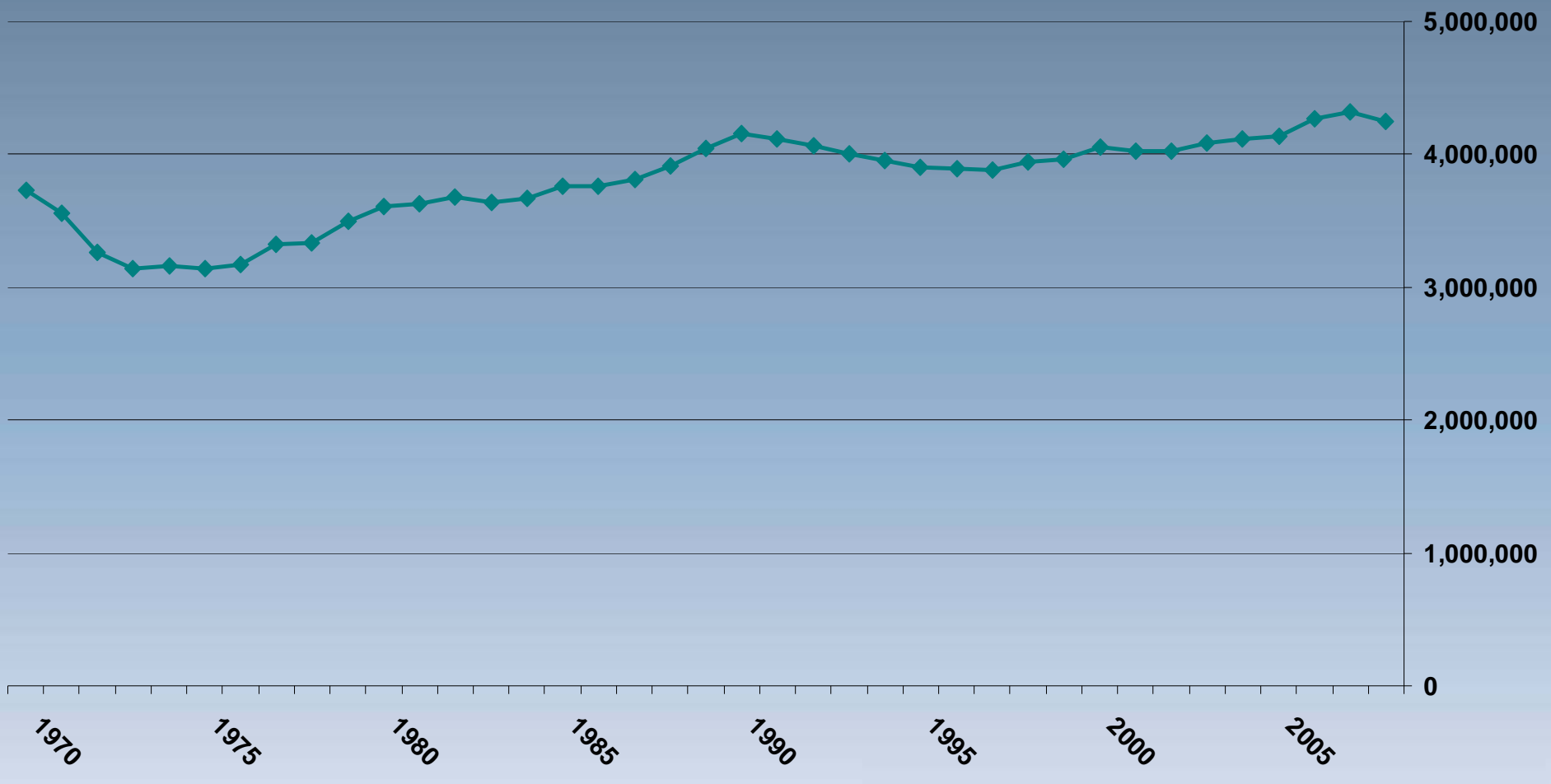
# Maternal-Fetal, Neonatal Market



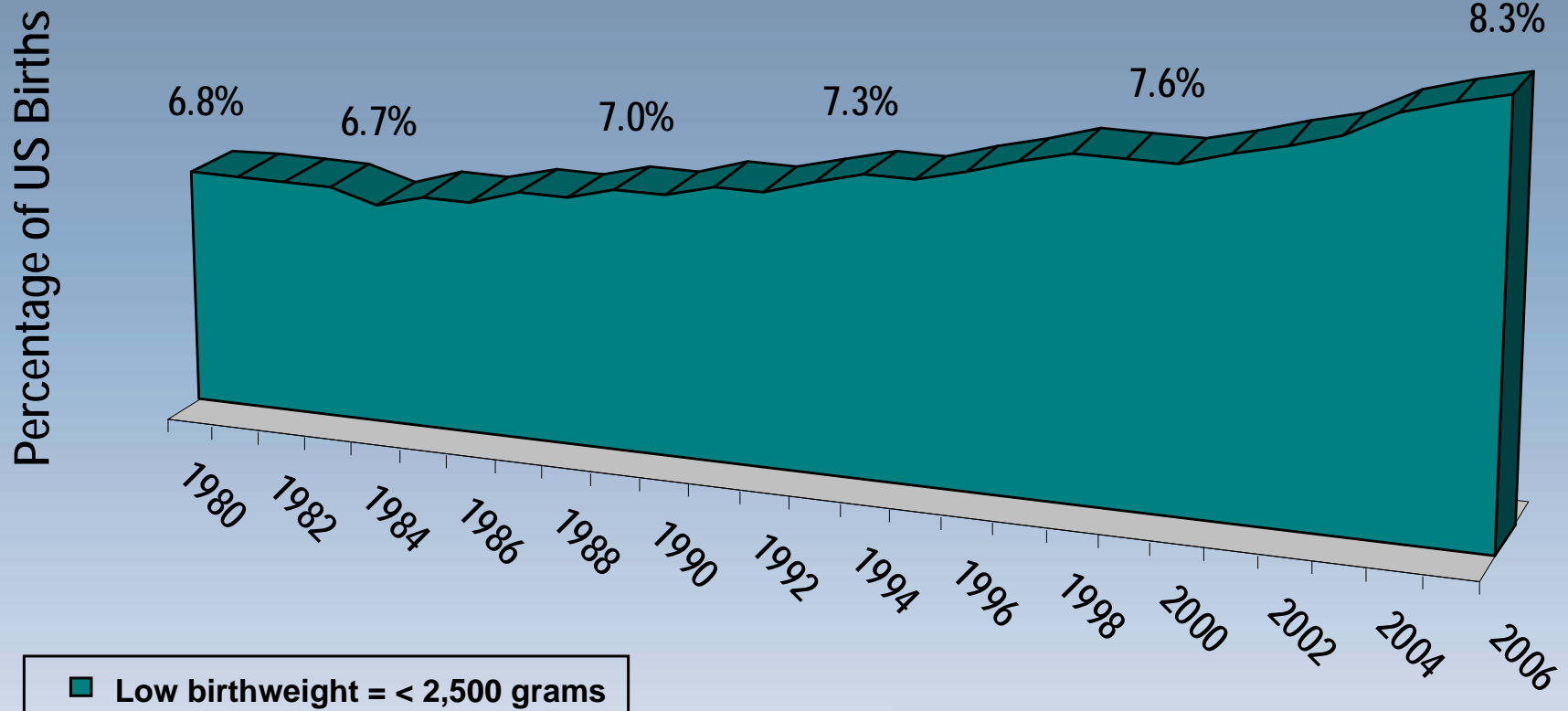
- 10 – 12 percent of all births admitted to NICUs
- Pediatrix average LOS ~18 days
- LOS ranges based on gestational age/acuity

Our Physician Representation		
Subspecialty	Pediatrix	U.S. Board-Certified/Board-Eligible
Neonatal	900	4,000
Maternal-Fetal and Obstetrics	140	1,200
Pediatric Cardiology	90	1,800
Pediatric Intensivists	60	1,100

# U.S. Births: 1970 – 2008

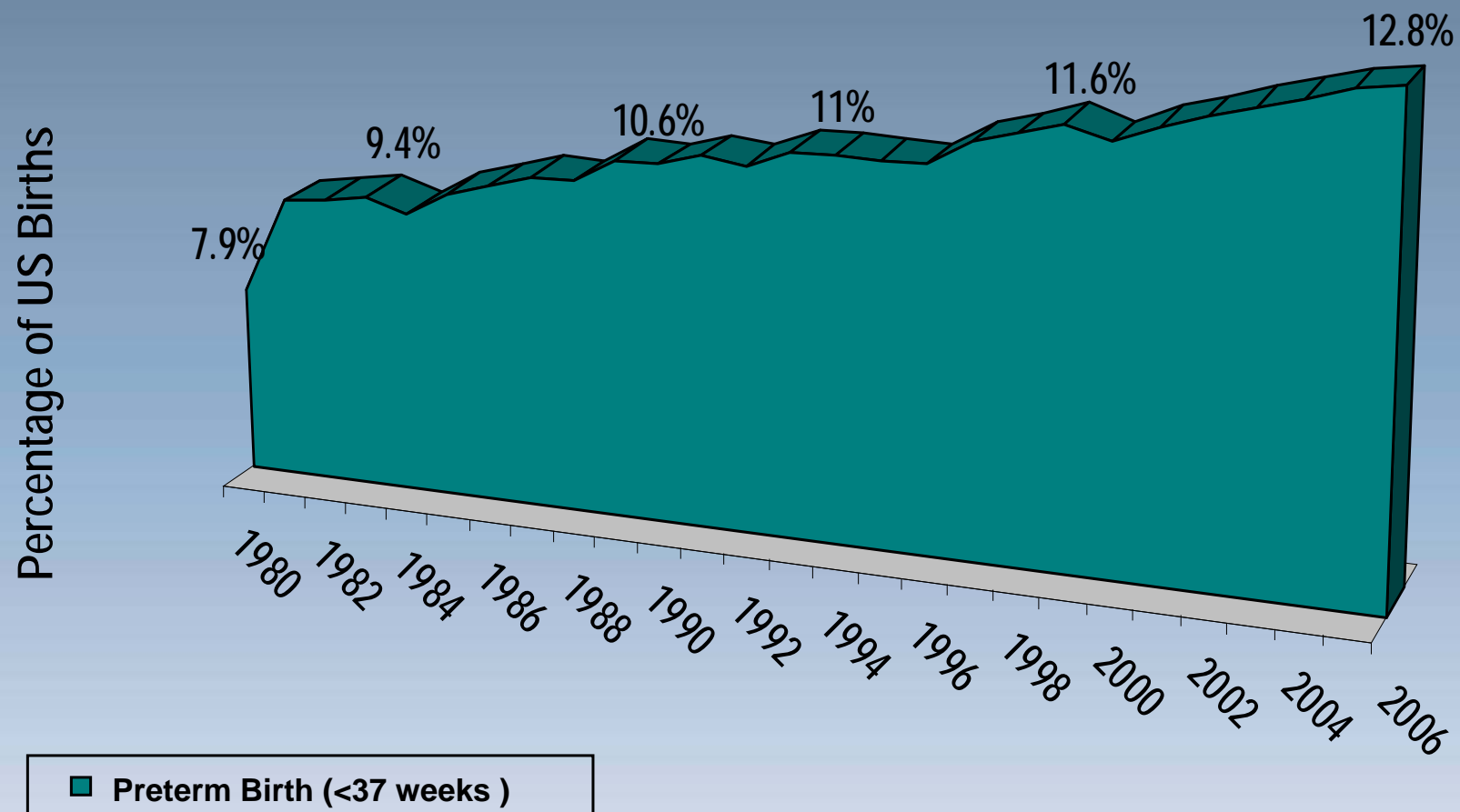


# Low Birthweight



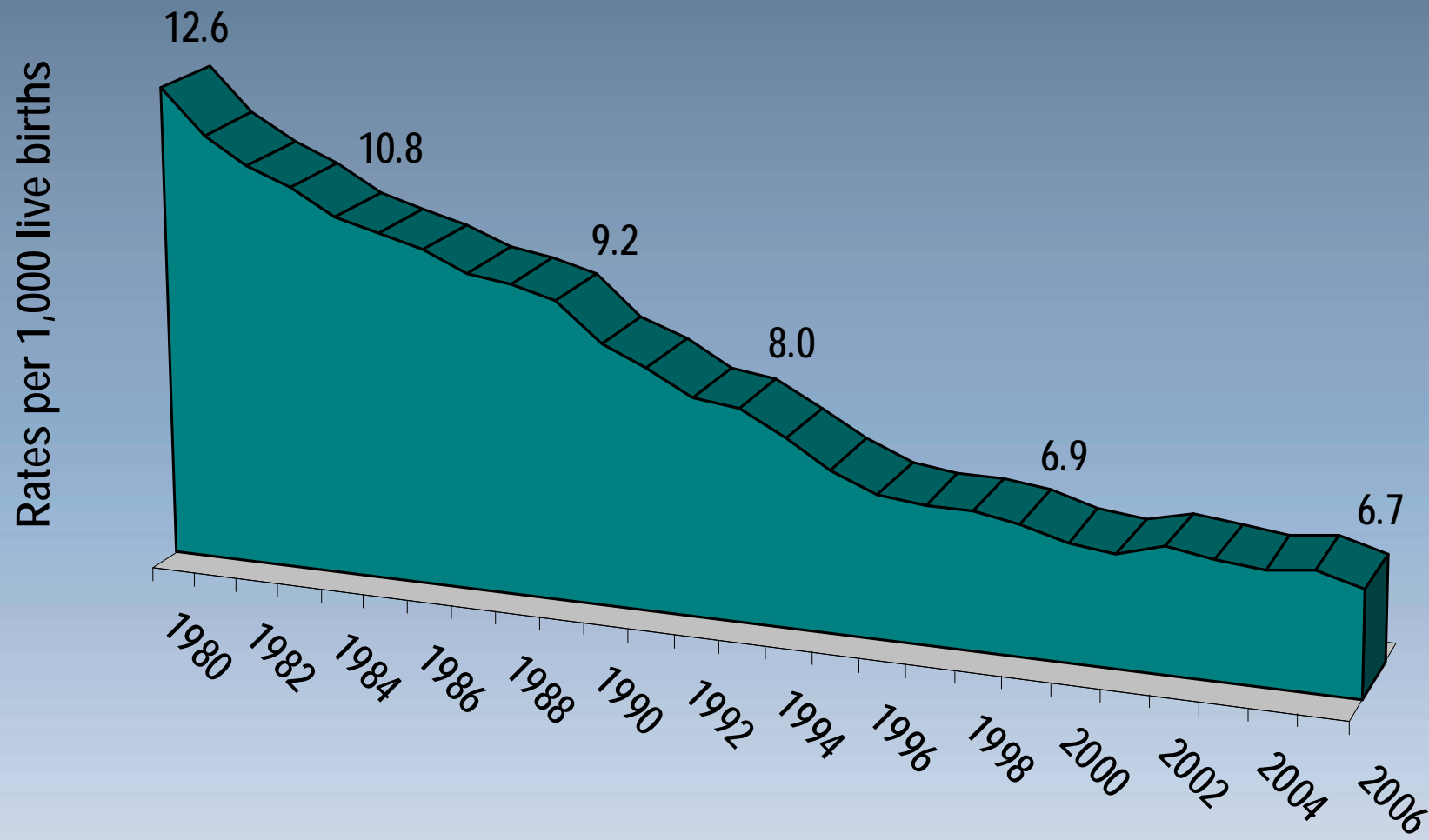
Source: National Center for Health Statistics, Births: Final Data for 2006, Volume 57, Number 7, January 2009

# Pre-term Births



Source: National Center for Health Statistics, Births: Final Data for 2006, Volume 57, Number 7, January 2009

# U.S. Infant Mortality Rate



Source: National Center for Health Statistics, Births: Final Data for 2006, Volume 57, Number 7, January 2009

# Our Markets: Anesthesia



# Anesthesia Practice Dynamics



- Hospital-based specialties
  - Exclusive contracts with hospitals
  - Support key service lines within hospitals
  - Clinician-to-clinician relationships
    - Less risk if physician leaves
  - Physicians provide “hands on” patient care
  - Opportunity to grow beyond the hospital
    - Anesthesia administered in:
      - Ambulatory surgery centers
      - Physician offices

# Anesthesia Market



- National Group Practice of Anesthesiologists
  - > 47,000 Anesthesiologists
  - 35,000 CRNAs
  - Estimated surgical procedures per year:
    - 46 million inpatient procedures
    - 34.7 million ambulatory surgery visits

Sources: "2006 National Hospital Discharge Survey", Center, Centers for Disease Control, National Center for Health Statistics; "Ambulatory Surgery in the United States", 2006 Centers for Disease Control, National Center for Health Statistics

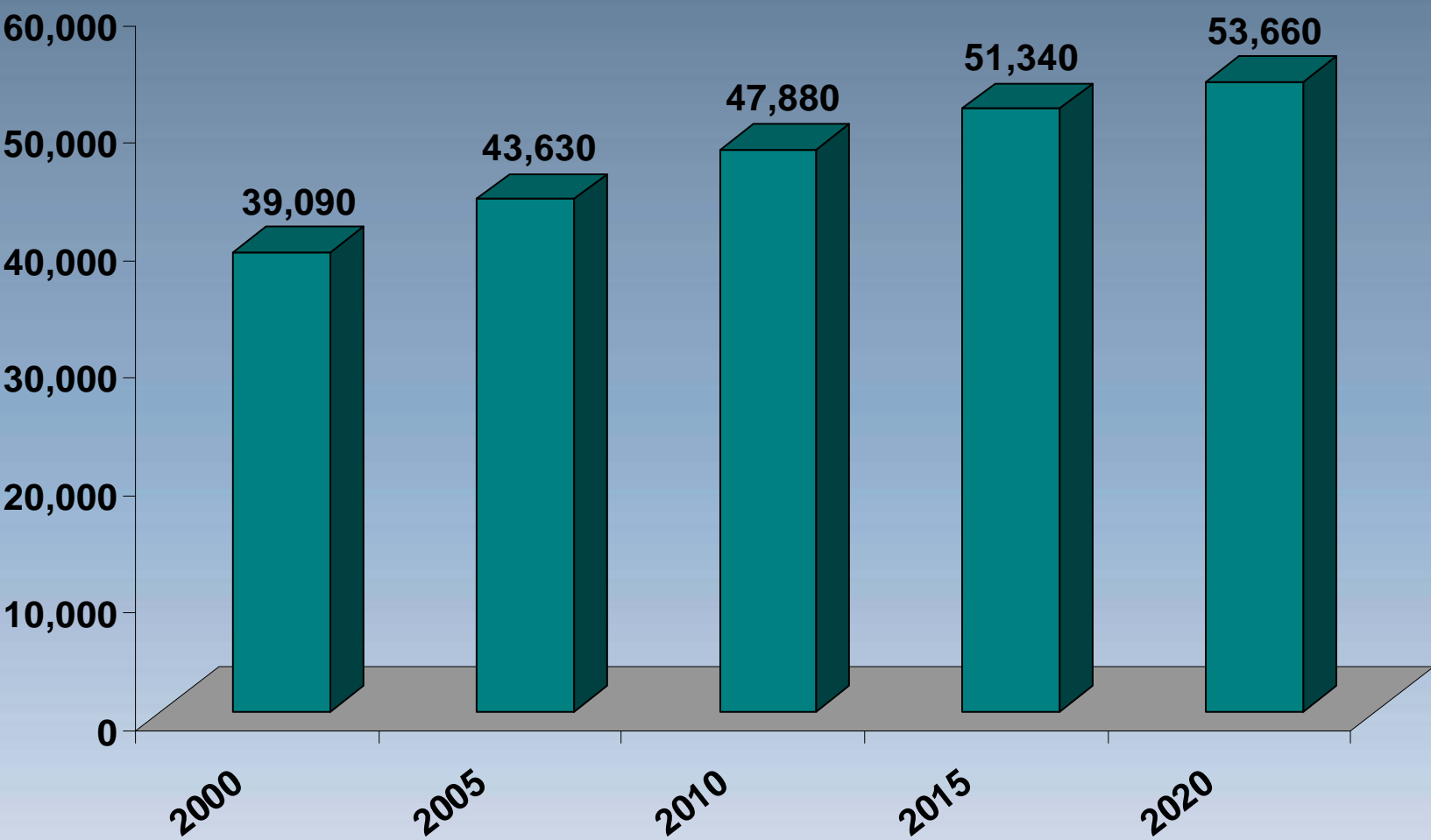
# Anesthesia Market



- Anticipated Growth in Market
- U.S. Population Growth:
  - 2000 to 2010 – 9.5%
  - 2010 to 2020 – 8.7%
- Population Age Distribution
  - Growth in those 65 and older:
    - 2000 to 2010 – 14.8%
    - 2010 to 2020 – 35.8%
  - Growth of aging population expected to accelerate growth in surgical procedures
    - 14% growth in surgical procedures by 2000 - 2010
    - 29% growth in surgical procedures by 2010 - 2020

Sources: "U.S. Interim Projections by Age, Sex, Race and Hispanic Origin", U.S. Census Bureau; "The Aging Population and Its Impact on the Surgery Workforce", Etzioni, et. al.

# Projected Number of Anesthesiologists



Source: "Physician Supply and Demand: Projections to 2020", U.S. Department of Health and Human Services

# Our Results

# Acquisitions' Growth



## 2010 To-Date

- Neonatal
  - Three acquisitions: Idaho, Louisiana, Washington
  - 24,000 annualized NICU patient days

## 2009

### Eleven Acquisitions

- Neonatal
  - 100,000 annualized NICU patient days
  - 25,000 annualized well-baby patient days
- Maternal-Fetal
- Pediatric Cardiology
- Multi-Specialty Practice
  - Neonatal, Pediatric Intensive and Pediatric Emergency Care, Pediatric Hospitalist
- Anesthesia
  - Wilmington, NC



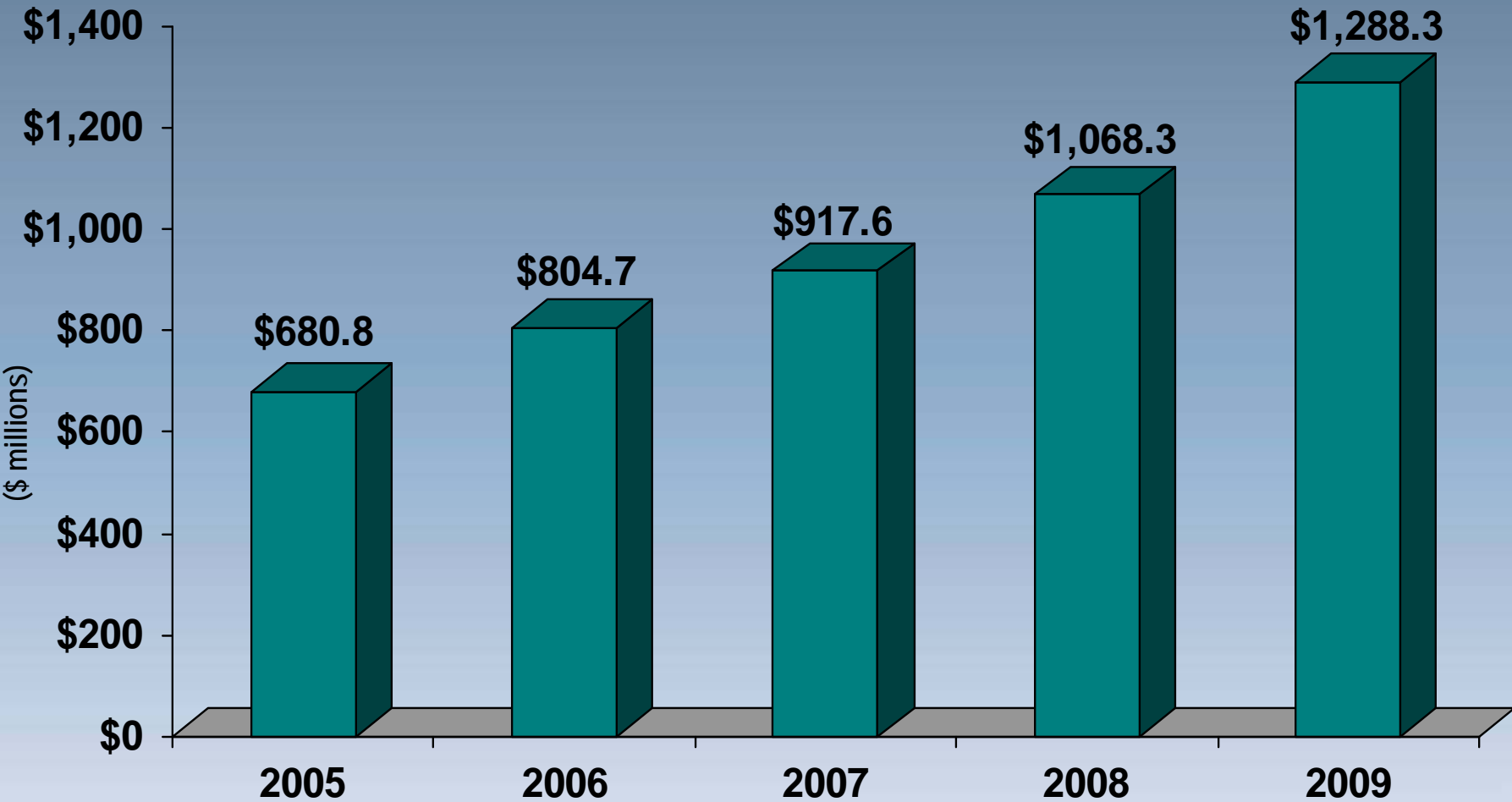
# 2009 Highlights



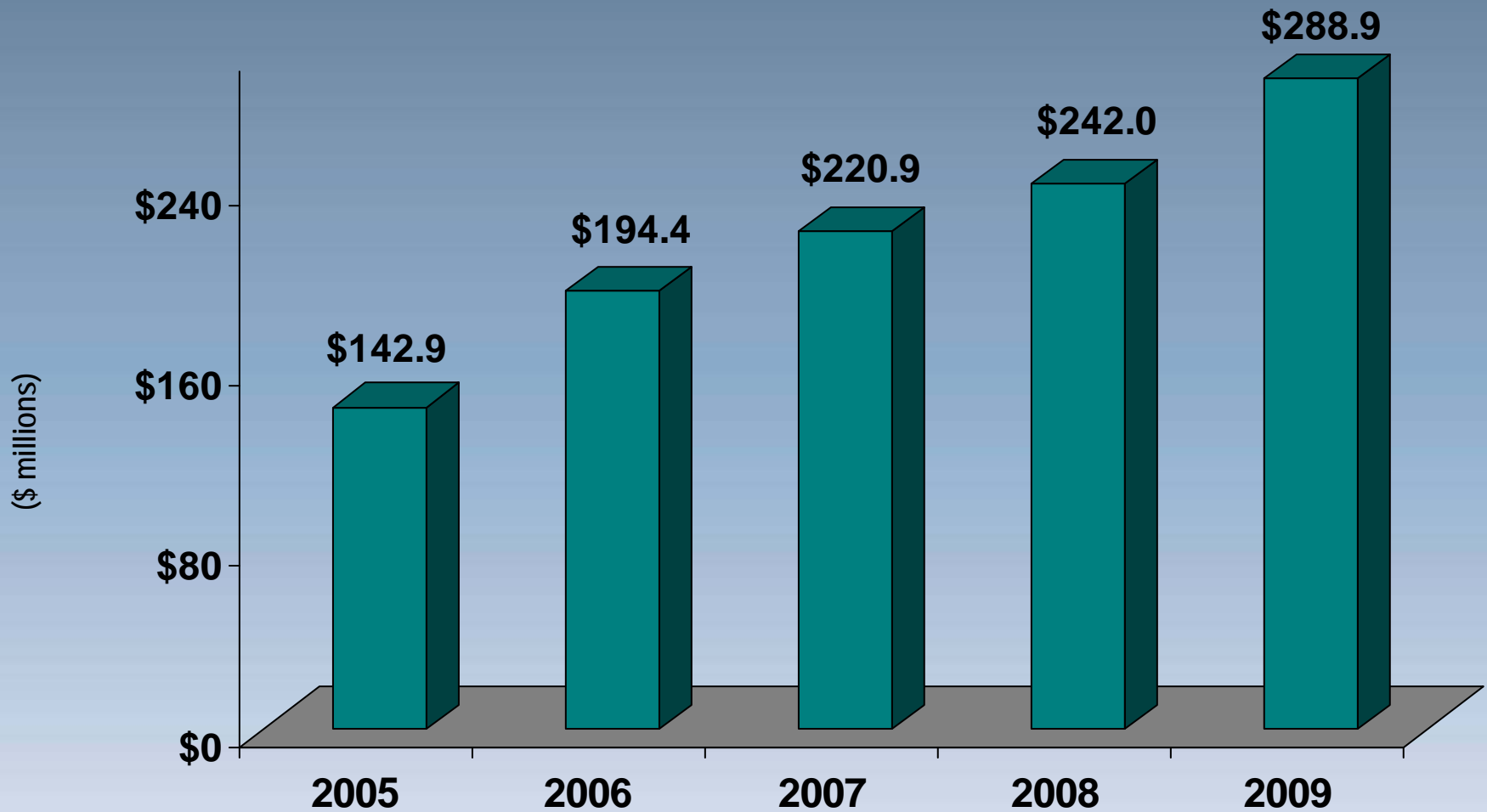
(\$ in millions, except per share data)	Three Months Ended December 31, 2009			12 Months Ended December 31, 2009		
	<u>2009</u>	<u>2008</u>	<u>% Change</u>	<u>2009</u>	<u>2008</u>	<u>% Change</u>
Revenue	\$333.3	\$297.8	12%	\$1,288	\$1,068	21%
Operating Income	\$79.2	\$65.4	21%	\$288.9	\$242.0	19%
<i>Operating Margin</i>	<i>23.8%</i>	<i>22.0%</i>		<i>22.4%</i>	<i>22.7%</i>	
Income from continuing operations	\$50.4	\$39.0	29%	\$175.8	\$146.7	20%
EPS from continuing operations	\$1.07	\$0.85	26%	\$3.78	\$3.11	22%

	Three Months Ended December 31, 2009	12 Months Ended December 31, 2009
Same-Unit Revenue Growth	4.6%	5.1%
Reimbursement (\$)	2.7%	1.9%
Patient Volume (\$)	1.9%	3.2%
NICU Patient Days	- 0.1%	1.7%

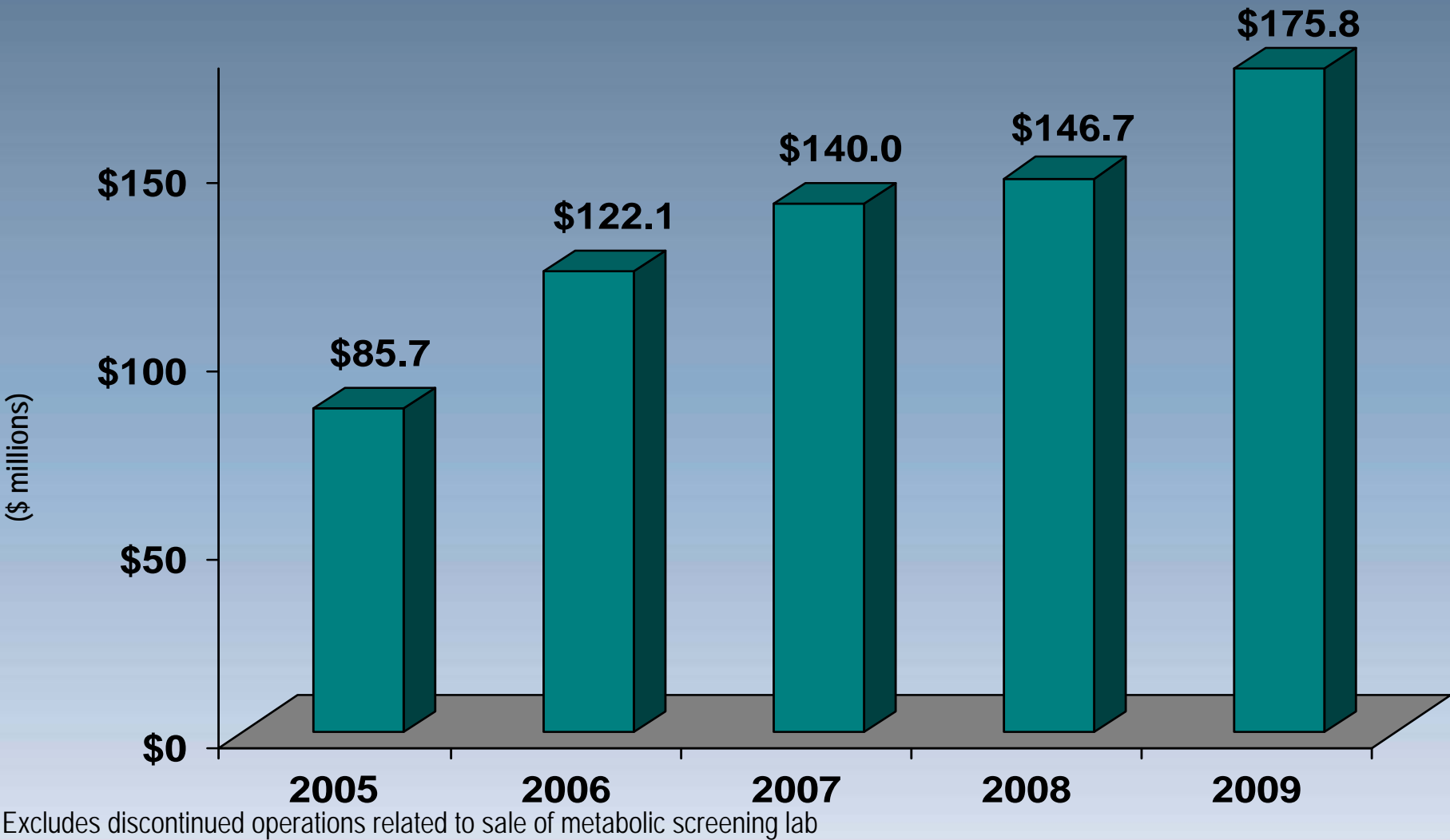
# Revenue



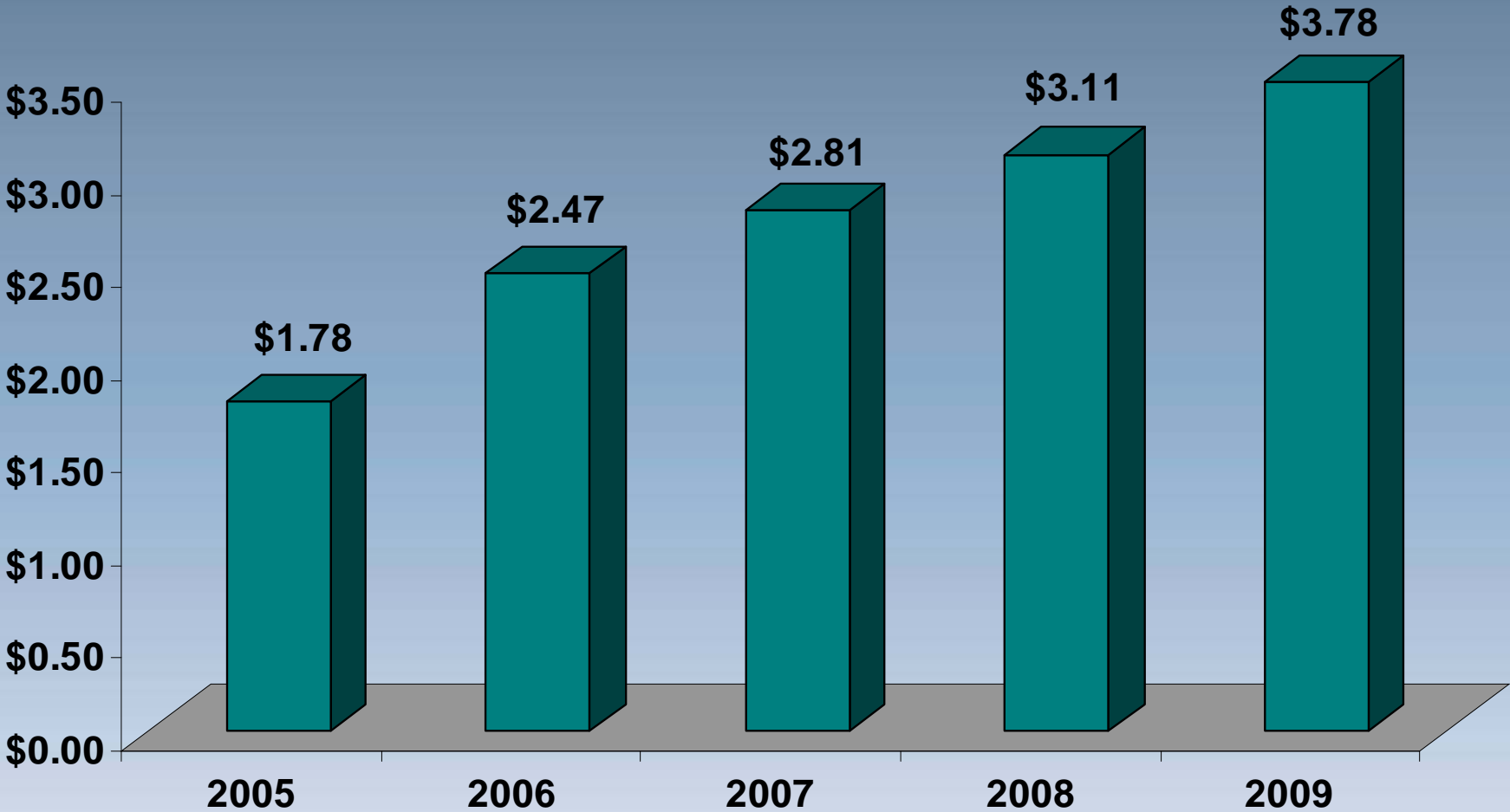
# Operating Income



# Income from Continuing Operations



# EPS from Continuing Operations



Excludes discontinued operations related to sale of metabolic screening lab

# Annual Cash Flow from Operations







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