

MEDNAX, INC.  
Form DEF 14A  
March 21, 2014  
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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

**Washington D.C. 20549**

**SCHEDULE 14A INFORMATION**

**Proxy Statement Pursuant to Section 14(a) of the Securities**

**Exchange Act of 1934 (Amendment No. )**

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

Preliminary Proxy Statement

Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))

Definitive Proxy Statement

Definitive Additional Materials

Soliciting Material under Rule 14a-12

**MEDNAX, INC.**

**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)**

Payment of Filing Fee (Check the appropriate box):

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(4) Date Filed:

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1301 Concord Terrace  
Sunrise, Florida 33323-2825  
(954) 384-0175

March 21, 2014

Dear MEDNAX Shareholder:

You are cordially invited to attend the 2014 Annual Shareholders Meeting of MEDNAX, Inc. ( MEDNAX ) on Thursday, May 8, 2014, beginning at 9:30 a.m. (EDT) at the Bonaventure Resort & Spa, 250 Racquet Club Road, Weston, Florida 33326.

At the annual meeting, we will ask you to vote on the election of Roger J. Medel, M.D., Cesar L. Alvarez, Waldemar A. Carlo, M.D., Michael B. Fernandez, Roger K. Freeman, M.D., Paul G. Gabos, Pascal J. Goldschmidt, M.D., Manuel Kadre, Donna E. Shalala, Ph.D. and Enrique J. Sosa, Ph.D. to MEDNAX's Board of Directors, to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2014 fiscal year, to conduct an advisory vote regarding executive compensation and act upon any other business properly brought before the meeting. Please vote on all the matters described in our Proxy Statement. Your Board of Directors unanimously recommends a vote FOR the election of each of the 10 nominees for Director stated above, FOR ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2014 fiscal year and FOR the approval of the compensation of our named executive officers.

Under the rules of the Securities and Exchange Commission, we are providing access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials (the E-Proxy Notice ) on or about March 27, 2014, to MEDNAX's shareholders of record at the close of business on March 11, 2014. The E-Proxy Notice contains instructions for your use of this process, including how to access our Proxy Statement and Annual Report and how to vote online. In addition, the E-Proxy Notice contains instructions on how you may (i) receive a paper copy of the Proxy Statement and Annual Report or (ii) elect to receive your Proxy Statement and Annual Report over the Internet.

Whether or not you plan to attend in person, it is important that your shares be represented and voted at the annual meeting. You may vote your shares over the Internet as described in the E-Proxy Notice. As an alternative, if you received a paper copy of the proxy card by mail, please mark, sign, date and promptly return the card in the self-addressed stamped envelope provided. You may also vote by telephone as described in your proxy card. Voting by telephone, over the Internet or by mailing a proxy card will not limit your right to attend the annual meeting and vote your shares in person.

We appreciate your continued support of our company.

Sincerely,

Roger J. Medel, M.D.

*Chief Executive Officer*

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**MEDNAX, INC.**

**NOTICE OF 2014 ANNUAL MEETING OF SHAREHOLDERS**

**TO BE HELD ON MAY 8, 2014**

To the Shareholders of MEDNAX, Inc.:

NOTICE IS HEREBY GIVEN that the 2014 Annual Shareholders Meeting of MEDNAX, Inc., a Florida corporation ( MEDNAX ), will be held at 9:30 a.m., EDT, on Thursday, May 8, 2014, at the Bonaventure Resort & Spa, 250 Racquet Club Road, Weston, Florida 33326, for the following purposes, as more fully described in our Proxy Statement:

to elect Roger J. Medel, M.D., Cesar L. Alvarez, Waldemar A. Carlo, M.D., Michael B. Fernandez, Roger K. Freeman, M.D., Paul G. Gabos, Pascal J. Goldschmidt, M.D., Manuel Kadre, Donna E. Shalala, Ph.D. and Enrique J. Sosa, Ph.D. as Directors, each for a term expiring at the next annual meeting or until his or her successor has been duly elected and qualified;

to ratify the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2014 fiscal year;

to cast an advisory vote approving the Company s executive compensation; and

to consider and act upon such other business as may properly come before the annual meeting.

The Board of Directors of MEDNAX has fixed the close of business on March 11, 2014, as the record date for determining those shareholders entitled to notice of, to attend and to vote at the meeting and any postponement or adjournment thereof.

Whether or not you plan to attend, please vote your shares over the Internet, as described in the Notice of Internet Availability of Proxy Materials (the E-Proxy Notice ). As an alternative, if you received a paper copy of the proxy card by mail, please mark, sign, date and promptly return the proxy card in the self-addressed stamped envelope provided. You may also vote by telephone as described in your proxy card. Shareholders who vote over the Internet, following the instructions provided in the E-Proxy Notice, who return proxy cards by mail or vote by telephone prior to the meeting may nevertheless attend the meeting, revoke their proxies and vote their shares in person.

By Order of the Board of Directors,

Dominic J. Andreano

Senior Vice President,

General Counsel and Secretary

Sunrise, Florida

March 27, 2014

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**MEDNAX, INC.**

**1301 Concord Terrace**

**Sunrise, Florida 33323-2825**

**PROXY STATEMENT**

We are furnishing this Proxy Statement and related materials to MEDNAX's shareholders as part of the solicitation of proxies by MEDNAX's Board of Directors for use at MEDNAX's 2014 Annual Shareholders Meeting and at any postponement or adjournment of the meeting. As used in this Proxy Statement, unless the context otherwise requires, the terms MEDNAX, we, us, our and the Company refer to the parent company MEDNAX, Inc., a Florida corporation, and the consolidated subsidiaries through which its businesses are actually conducted, together with MEDNAX's affiliated professional associations, corporations and partnerships. All share and per share data set forth herein give effect to the two-for-one splits of our common stock that became effective on April 13, 2006 and December 19, 2013.

On December 31, 2008, Pediatrix Medical Group, Inc., a Florida corporation (Pediatrix), and MEDNAX completed a holding company formation transaction that established MEDNAX as the parent company of Pediatrix, now known as MEDNAX Services, Inc. Throughout this Proxy Statement, when we refer to MEDNAX or to the Company in reference to activities that occurred prior to the reorganization on December 31, 2008, we are referring to Pediatrix, and when we refer to the Company in reference to activities occurring after the reorganization, we are referring to MEDNAX, except to the extent the context otherwise indicates.

Under the rules and regulations of the Securities and Exchange Commission, we are furnishing our proxy materials to our shareholders over the Internet and providing a Notice of Internet Availability of Proxy Materials (the E-Proxy Notice) by mail instead of mailing a printed copy of our proxy materials, which include our Proxy Statement and Annual Report, to all MEDNAX shareholders. The E-Proxy Notice will instruct you on how you may access and review all of the important information contained in the proxy materials. The E-Proxy Notice also instructs you how you may submit your proxy via the Internet. You will not receive a printed copy of the proxy materials unless you request to receive these materials in hard copy by following the instructions provided in the E-Proxy Notice.

We are mailing the E-Proxy Notice on or about March 27, 2014, to MEDNAX's shareholders of record at the close of business on March 11, 2014.

**QUESTIONS AND ANSWERS ABOUT OUR ANNUAL MEETING**

**What Is the Date, Time and Place of the Annual Meeting?**

MEDNAX's 2014 Annual Shareholders Meeting will be held on Thursday, May 8, 2014, beginning at 9:30 a.m. (EDT) at the Bonaventure Resort & Spa, 250 Racquet Club Road, Weston, Florida 33326.

**What Is the Purpose of the Annual Meeting?**

At the annual meeting, MEDNAX's shareholders will be asked to:

elect 10 Directors, each for a term expiring at the next annual meeting or until his or her successor has been duly elected and qualified;

ratify the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2014 fiscal year;

cast an advisory vote regarding executive compensation; and



consider and act upon such other business as may properly come before the meeting.

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### **Who Is Entitled to Vote at the Annual Meeting?**

Only holders of record of our common stock at the close of business on March 11, 2014, the record date for the meeting, are entitled to notice of, to attend and to vote at the annual meeting, or any postponements or adjournments of the meeting. At the close of business on the record date, 100,199,859 shares of our common stock were issued and outstanding and were held by approximately 286 holders of record.

### **What Are the Voting Rights of MEDNAX's Shareholders?**

MEDNAX's shareholders have one vote per share of MEDNAX common stock owned on the record date for each matter properly presented at the annual meeting. For example, if you owned 100 shares of our common stock at the close of business on March 11, 2014, you can cast 100 votes for each matter properly presented at the annual meeting.

### **What Constitutes a Quorum?**

A quorum will be present at the meeting if holders of a majority of the issued and outstanding shares of our common stock on the record date are represented at the meeting in person or by proxy. If a quorum is not present at the meeting, MEDNAX expects to postpone or adjourn the meeting to solicit additional proxies. Abstentions, including broker non-votes (as described below), will be counted as shares present and entitled to vote for the purposes of determining the presence or absence of a quorum.

### **What Are Broker Non-Votes ?**

Broker non-votes occur when shares held by a brokerage firm are not voted with respect to a proposal because the firm has not received voting instructions from the shareholder and the firm does not have the authority to vote the shares at its discretion. Under the rules of the New York Stock Exchange, brokerage firms may have the authority to vote their customers' shares on certain routine matters for which they do not receive voting instructions, including the ratification of the appointment of independent auditors. The election of directors and the advisory vote on executive compensation are considered non-routine matters under the New York Stock Exchange rules. In addition, other matters may properly be brought before the meeting that may be considered non-routine under the applicable New York Stock Exchange rules. Shares held by a brokerage firm will not be voted on such non-routine matters by a brokerage firm unless it has received voting instructions from the shareholder and, accordingly, any such shares will be broker non-votes.

### **How Are Abstentions and Broker Non-Votes Treated?**

Abstentions and broker non-votes are counted as present for purposes of determining the presence of a quorum. Abstentions and broker non-votes will not be counted as votes cast either in favor of or against the election of the nominees for Director or the advisory vote on executive compensation. Abstentions will not be counted as votes cast either in favor of or against the ratification of the appointment of our independent auditors.

### **Will My Shares Be Voted if I Do Not Provide My Proxy?**

If your shares are held in the name of a brokerage firm, they will not be voted by the brokerage firm except as described above if you do not give the brokerage firm specific voting instructions. If you are a registered shareholder and hold your shares directly in your own name, your shares will not be voted unless you provide a proxy or fill out a written ballot in person at the meeting.

### **How Do I Vote?**

You can vote in any of the following ways:

To vote via the Internet:

Follow the instructions on your proxy card and E-Proxy Notice; and

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Vote your shares as instructed on your proxy card and E-Proxy Notice.

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To vote by telephone if you are a registered shareholder who received a paper proxy card:

Dial 1-800-690-6903 from any touch-tone telephone at any time up until 11:59 p.m. EDT on May 7, 2014; and

Have your proxy card in hand and follow the instructions given to you on the line.

To vote by mail if you are a registered shareholder who received a paper proxy card:

Mark, sign and date your proxy card; and

Return it in the envelope provided.

To vote if you hold your shares in street name, follow the instructions of your bank or broker or vote in person as described below.

To vote in person if you hold your shares in street name :

Attend our annual meeting;

Bring valid photo identification; and

Obtain a legal proxy from your bank or broker to vote the shares that are held for your benefit, attach it to your completed proxy card and deliver it in person.

To vote in person if you are a registered shareholder:

Attend our annual meeting;

Bring valid photo identification; and

Deliver your completed proxy card or ballot in person.

**What Vote Is Required for the Proposals?**

Assuming that a quorum is present at the annual meeting, the 10 Director nominees receiving the highest number of affirmative votes from holders of our common stock will be elected as Directors of MEDNAX.

In 2012, the Board of Directors amended our corporate governance principles to adopt a majority voting policy. The majority voting policy is applicable solely to uncontested elections, which are those elections in which the number of nominees for election is less than or equal to the number of directors to be elected. Under the majority voting policy, any nominee for director who receives more withheld votes than for votes in an uncontested election must submit a written offer to resign as director. Any such resignation will be reviewed by the Nominating and Corporate Governance Committee and, within 90 days after the election, the independent members of the Board of Directors will determine whether to accept, reject or take other appropriate action with respect to, the resignation, in furtherance of the best interests of MEDNAX and its

shareholders.

Assuming that a quorum is present, ratification of the appointment of our independent registered certified public accounting firm and the approval of the compensation of our named executive officers each requires a majority of the votes cast on the proposal at the annual meeting.

**How Does the Board of Directors Recommend I Vote on the Proposals?**

The Board of Directors recommends that you vote:

FOR the election of each of the 10 nominees for Director named in this Proxy Statement;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2014 fiscal year; and

FOR the approval of the compensation of our named executive officers.

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### **How Will My Proxy Holders Vote?**

The enclosed proxy designates Roger J. Medel, M.D., our Chief Executive Officer, Dominic J. Andreano, our Senior Vice President, General Counsel and Secretary, and Vivian Lopez-Blanco, our Chief Financial Officer and Treasurer, each with full power of substitution, to hold your proxy and vote your shares. Dr. Medel, Mr. Andreano and Ms. Lopez-Blanco will vote all shares of our common stock represented by proxies properly submitted via telephone or the Internet or properly executed proxies received in time for the annual meeting in the manner specified by the holders of those shares. Dr. Medel, Mr. Andreano and Ms. Lopez-Blanco intend to vote all shares of our common stock represented by proxies properly submitted via telephone, or the Internet, or that are properly executed by the record holder but otherwise do not contain voting instructions, as follows:

FOR the election of each of the 10 nominees for Director named in this Proxy Statement;

FOR the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2014 fiscal year;

FOR the approval of the compensation of our named executive officers; and

in accordance with the recommendation of MEDNAX's Board of Directors, FOR or AGAINST all other matters as may properly come before the annual meeting.

### **Can I Change My Vote After I Have Voted?**

Voting by telephone, over the Internet or by mailing a proxy card does not preclude a shareholder from voting in person at the meeting. A shareholder may revoke a proxy, whether submitted via telephone, the Internet or mailed, at any time prior to its exercise by filing with MEDNAX's Secretary a duly executed revocation of proxy, by properly submitting, either by telephone, mail or Internet, a proxy to MEDNAX's Secretary bearing a later date or by appearing at the meeting and voting in person. Attendance at the meeting will not itself constitute revocation of a proxy.

### **Who Pays for the Preparation of the Proxy Statement?**

MEDNAX will bear the cost of the solicitation of proxies from its shareholders, including preparing, printing and mailing this Proxy Statement, should you request a printed copy of the proxy materials, and the E-Proxy Notice. In addition to solicitations by mail, MEDNAX's Directors, officers and employees, and those of its subsidiaries and affiliates, may solicit proxies from shareholders by telephone or other electronic means or in person but will receive no additional compensation for soliciting such proxies. MEDNAX has engaged Mackenzie Partners, Inc. to assist in the solicitation of proxies for the MEDNAX annual meeting and will pay Mackenzie Partners, Inc. a fee of approximately \$10,000, plus reimbursement of reasonable out-of-pocket expenses. MEDNAX will cause banks and brokerage firms and other custodians, nominees and fiduciaries to forward solicitation materials to the beneficial owners of our common stock held of record by such banks, brokerage firms, custodians, nominees and fiduciaries. MEDNAX will reimburse such banks, brokerage firms, custodians, nominees and fiduciaries for their reasonable out-of-pocket expenses in doing so.

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**PROPOSAL 1: ELECTION OF MEDNAX'S DIRECTORS**

MEDNAX's Amended and Restated Articles of Incorporation, as amended, and Amended and Restated Bylaws provide that the number of Directors constituting MEDNAX's Board of Directors will be determined from time to time by resolution adopted by MEDNAX's Board of Directors. Upon the recommendation of the Nominating and Corporate Governance Committee, the nominees for Director to be elected at the annual meeting in 2014 by the holders of our common stock are as follows:

Roger J. Medel, M.D., who has served as a Director since 1979;

Cesar L. Alvarez, who has served as Chairman of the Board of Directors since May 2004 and as a Director since March 1997;

Manuel Kadre, who has served as Lead Independent Director since March 2014 and as a Director since May 2007;

Waldemar A. Carlo, M.D., who has served as a Director since June 1999;

Michael B. Fernandez, who has served as a Director since October 1995;

Roger K. Freeman, M.D., who has served as a Director since May 2002;

Paul G. Gabos, who has served as a Director since November 2002;

Pascal J. Goldschmidt, M.D., who has served as a Director since March 2006;

Donna E. Shalala, Ph.D., who has served as a Director since May 2010; and

Enrique J. Sosa, Ph.D., who has served as a Director since May 2004.

Please see below under "Directors and Executive Officers" for the biographies of these nominees for Director.

Each Director elected will serve for a term expiring at MEDNAX's 2015 Annual Meeting of Shareholders, which is expected to be held in May 2015, or until his or her successor has been duly elected and qualified.

MEDNAX's Board of Directors has no reason to believe that any nominee will refuse to act or be unable to accept election; however, in the event that a nominee for a directorship is unable to accept election or if any other unforeseen contingencies should arise, proxies will be voted for the remaining nominees and for such other person as may be designated by MEDNAX's Board of Directors, unless the proxies provide otherwise.

If a quorum is present at the annual meeting, the 10 nominees receiving the highest number of votes "FOR" election will be elected to the Board of Directors of MEDNAX, subject to the majority voting policy described above. Proxies will be voted "FOR" all such nominees absent contrary instructions.

***MEDNAX's Board of Directors recommends a vote FOR the election of each of the 10 nominees for Director.***

**GOVERNANCE AND RELATED MATTERS**

Our business, property and affairs are managed under the direction of our Board of Directors, except with respect to those matters reserved for our shareholders. Our Board of Directors establishes our overall corporate policies, reviews the performance of our senior management in executing our business strategy and managing our day-to-day operations and acts as an advisor to our senior management. Our Board of Directors' mission is to further the long-term interests of our shareholders. Members of the Board of Directors are kept informed of MEDNAX's business through discussions with MEDNAX's management, primarily at meetings of the Board of Directors and its committees, and through reports and analyses presented to them. Significant communications between our Directors and senior management occur apart from such meetings.



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### **Questions and Answers About Our Corporate Governance Practices**

#### **What Committees Have Our Board of Directors Established?**

The standing committees of MEDNAX's Board of Directors are the Executive Committee, the Audit Committee, the Compensation Committee, the Nominating and Corporate Governance Committee and the Medical Science and Technology Committee. Copies of the charters for these committees, as well as our corporate governance principles, are available on our Website at [www.mednax.com](http://www.mednax.com). Our Internet Website and the information contained therein, other than material expressly referred to in this Proxy Statement, or connected thereto, are not incorporated into this Proxy Statement. A copy of our committee charters and corporate governance principles are also available upon request from MEDNAX's Secretary at 1301 Concord Terrace, Sunrise, Florida 33323.

#### **How Many Times Did Our Board of Directors Meet During 2013?**

During 2013, MEDNAX's Board of Directors held nine meetings and took various actions by unanimous written consent. Committees of the Board of Directors held a combined total of 18 meetings and also took actions by unanimous written consent. Each Director attended at least 75% of the total number of meetings of MEDNAX's Board of Directors and its committees held during 2013 during the period he or she was a member thereof. Although MEDNAX has no formal policy with respect to its Directors' attendance at MEDNAX's annual shareholders' meetings, in 2013 all of our Directors attended the annual shareholders' meeting.

#### **Are a Majority of Our Directors Independent?**

Our Board of Directors has reviewed information about each of our non-employee Directors and made the determination that all of the non-employee Directors on our Board of Directors are independent. In arriving at this conclusion, our Board of Directors made the affirmative determination that each of Drs. Carlo, Goldschmidt, Freeman, Sosa and Shalala and Messrs. Alvarez, Fernandez, Gabos and Kadre meet the Board of Directors' previously adopted categorical standards for determining independence in accordance with the New York Stock Exchange's corporate governance rules. In making this determination, the Board of Directors considered transactions and relationships between each Director or any member of his or her immediate family and MEDNAX and its subsidiaries and affiliates. These transactions consisted of the payment of travel and entertainment expenses for the spouses of our Directors in connection with our Board of Directors' annual board retreat and meetings and those transactions reported below under Certain Relationships and Related Party Transactions Transactions with Related Persons. Our Board of Directors determined that each of these transactions and relationships was within the New York Stock Exchange standards and our categorical standards and that none of the transactions or relationships affected the independence of the Director involved. Our adopted categorical standards for determining independence in accordance with the New York Stock Exchange's corporate governance rules are contained in our corporate governance principles, a copy of which is available on our Website at [www.mednax.com](http://www.mednax.com).

#### **Who Are the Chairman of the Board and Lead Independent Director ?**

To assist the Board of Directors in fulfilling its obligations, following each annual meeting of the shareholders, MEDNAX's Board of Directors designates a non-management Director as Chairman of the Board. In addition, the Board of Directors, by a majority vote of the non-management Directors, may also designate a non-management Director as Lead Independent Director.

MEDNAX separates the roles of Chief Executive Officer and Chairman of the Board in recognition of the differences between the two roles. The Chief Executive Officer is responsible for determining the strategic direction for the Company and the day-to-day leadership and performance of the Company. The principal responsibility of the Chairman of the Board is to serve as chief administrative liaison between independent Directors and MEDNAX management and to monitor implementation of Board of Directors' directives and

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actions. The principal responsibility of the Lead Independent Director, if designated, is to work collaboratively with the Chairman of the Board and the Chief Executive Officer with respect to Board of Directors governance and process. The Lead Independent Director has additional responsibilities and authorities set out in our corporate governance principles.

At least once a year, the Chairman of the Board or Lead Independent Director also presides over meetings of our independent Directors. Following our 2013 annual meeting of shareholders, our Board of Directors appointed Mr. Alvarez to serve as Chairman of the Board. In March 2014, our Board of Directors designated Manuel Kadre to serve as Lead Independent Director when the position was created.

### **What Role Does the Board of Directors Serve in Risk Oversight for the Company?**

The Board of Directors provides oversight of the Company's risk exposure by receiving periodic reports from senior management regarding matters relating to financial, operational, regulatory, legal and strategic risks and mitigation strategies for such risks. In addition, as reflected in the Audit Committee Charter, the Board of Directors has delegated to the Audit Committee responsibility to oversee, discuss and evaluate the Company's policies and guidelines with respect to risk assessment and risk management, including internal control over financial reporting. As appropriate, the Audit Committee provides reports to and receives direction from the full Board of Directors regarding the Company's risk management policies and guidelines, as well as the Audit Committee's risk oversight activities.

### **How Can Shareholders Communicate with the Board of Directors?**

Anyone who has a concern about MEDNAX's conduct, including accounting, internal accounting controls or audit matters, may communicate directly with our Chairman of the Board of Directors, Lead Independent Director, our non-management Directors, the Chairman of the Audit Committee or the Audit Committee. Such communications may be confidential or anonymous, and may be submitted in writing to the Chief Compliance Officer, MEDNAX, Inc., 1301 Concord Terrace, Sunrise, Florida 33323, or reported by phone at 877-835-5764. All such concerns will be forwarded to the appropriate Directors for their review, and will be simultaneously reviewed and addressed by the Company's General Counsel or Chief Compliance Officer in the same way that other concerns are addressed by us. MEDNAX's Code of Conduct, which is discussed below, prohibits any employee from retaliating or taking any adverse action against anyone for raising or helping to resolve an integrity concern.

### **Has MEDNAX Adopted a Code of Conduct?**

MEDNAX has adopted a Code of Conduct that applies to all Directors, officers, employees and independent contractors of MEDNAX and its affiliated medical practices. MEDNAX intends to disclose any amendments to, or waivers from, any provision of the Code of Conduct that applies to any of MEDNAX's executive officers or Directors by posting such information on our Website at [www.mednax.com](http://www.mednax.com).

MEDNAX has also adopted a Code of Professional Conduct – Finance that applies to all employees with access to, and responsibility for, matters of finance and financial management, including MEDNAX's Chief Executive Officer and Chief Financial Officer and Treasurer. MEDNAX intends to disclose any amendments to, or waivers from, any provision of the Code of Conduct that applies to any of MEDNAX's Chief Executive Officer, Chief Financial Officer and Treasurer, principal accounting officer or controller or persons performing similar functions by posting such information on our Website at [www.mednax.com](http://www.mednax.com).

Copies of our Code of Conduct and the Code of Professional Conduct – Finance are available on our Website at [www.mednax.com](http://www.mednax.com) and upon request from MEDNAX's Secretary at 1301 Concord Terrace, Sunrise, Florida 33323.

### **Has MEDNAX Adopted a Clawback Policy?**

MEDNAX has adopted a clawback policy that permits the company to seek to recover certain amounts of incentive compensation, including both cash and equity, paid to any executive officer (as defined in the

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Securities Exchange Act of 1934, as amended (the Exchange Act ) on or after January 1, 2014, if payment of such compensation was based on the achievement of financial results that were subsequently the subject of a restatement of our financial statements due to misconduct, and if the executive engaged in improper conduct that materially contributed to the need for restatement, and a lower amount of incentive compensation would have been earned based on the restated financial results.

### **Does MEDNAX Require its Executive Officers and Board of Directors to Retain a Certain Amount of MEDNAX Common Stock?**

MEDNAX has adopted a Stock Ownership and Retention Policy which requires that each named executive officer and each non-management Director to retain MEDNAX common stock worth a certain multiple of annual cash retainer, or base salary, respectively. Details of the policy and the required ownership levels are described in further detail on page 31 in the Executive Compensation: Compensation Discussion and Analysis section of this proxy statement.

### **Has MEDNAX Adopted an Anti-Hedging and Anti-Pledging Policy?**

MEDNAX has adopted a policy prohibiting its directors, management, financial and other insiders from engaging in transactions in MEDNAX securities or derivatives of MEDNAX securities that might be considered hedging, or from holding MEDNAX securities in margin accounts or pledging MEDNAX securities as collateral for a loan, unless such person clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities.

### **Report of the Audit Committee**

*The following report of the Audit Committee does not constitute soliciting material and should not be deemed filed or incorporated by reference into any of MEDNAX's filings under the Securities Act of 1933, as amended (the Securities Act ), or the Exchange Act, except to the extent that we specifically incorporate such report by reference.*

We act under a written charter that has been adopted by MEDNAX's Board of Directors. While we have the responsibilities set forth in this charter, it is not our duty to plan or conduct audits or to determine that MEDNAX's financial statements are complete, accurate or in compliance with generally accepted accounting principles. This is the responsibility of MEDNAX's management and independent auditors.

Our primary function is to assist the Board of Directors in their evaluation and oversight of the integrity of MEDNAX's financial statements and internal control over financial reporting, the qualifications and independence of MEDNAX's independent auditors and the performance of MEDNAX's audit functions. In addition, while we are also responsible for assisting the Board of Directors in their evaluation and oversight of MEDNAX's compliance with applicable laws and regulations, it is not our duty to assure compliance with such laws and regulations or MEDNAX's Compliance Plan and related policies. We are also responsible for overseeing, discussing and evaluating MEDNAX's guidelines, policies and processes with respect to risk assessment and risk management and the steps management has taken to monitor and control risk exposure, and we advise the Board of Directors with respect to such matters, as appropriate.

We also oversee MEDNAX's auditing, accounting and financial reporting processes generally. Management is responsible for MEDNAX's financial statements and the financial reporting process, including the system of internal controls. We also review the preparation by management of MEDNAX's quarterly and annual financial statements. MEDNAX's independent auditors, who are accountable to us, are responsible for expressing an opinion as to whether the consolidated financial statements present fairly, in all material respects, the financial position, results of operations and cash flows of MEDNAX in conformity with accounting principles generally accepted in the United States ( GAAP ). MEDNAX's independent auditors are also responsible for auditing and reporting on the effective operation of MEDNAX's internal control over financial reporting. We are responsible

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for retaining MEDNAX's independent auditors, and maintain sole responsibility for their compensation, oversight and termination. We are also responsible for pre-approving all non-audit services to be provided by the independent auditors, and on an annual basis discussing with the independent auditors all significant relationships they have with MEDNAX to determine their independence.

In fulfilling our oversight role, we met and held discussions with MEDNAX's management and independent auditors. Management advised us that MEDNAX's consolidated financial statements were prepared in accordance with generally accepted accounting principles, and we reviewed and discussed the consolidated financial statements for the fiscal year ended December 31, 2013. In addition, we reviewed and discussed the Management's Discussion and Analysis of Financial Condition and Results of Operations section of MEDNAX's periodic reports, key accounting and reporting issues and the scope, adequacy and assessments of MEDNAX's internal controls and disclosure controls and procedures with management and MEDNAX's independent auditors. We discussed privately with the independent auditors matters deemed significant by the independent auditors, including those matters required to be discussed pursuant to U.S. Auditing Standards AU Section 380 (Communication with Audit Committees), as adopted by the Public Company Accounting Oversight Board.

The independent auditors also provided us with the written disclosures and the letter required by applicable requirements of the Public Company Accounting Oversight Board, regarding the independent accountant's communications with the Audit Committee concerning independence, and we discussed with the independent auditors matters relating to their independence. We also reviewed a report by the independent auditors describing the firm's internal quality-control procedures and any material issues raised in the most recent internal-quality control review or external peer review or inspection performed by the Public Company Accounting Oversight Board.

Based on our review with management and the independent auditors of MEDNAX's audited consolidated financial statements and internal controls over financial reporting and the independent auditors' report on such financial statements and their evaluation of MEDNAX's internal controls over financial reporting, and based on the discussions and written disclosures described above and our business judgment, we recommended to the Board of Directors that the Company's audited consolidated financial statements for the fiscal year ended December 31, 2013, be included in MEDNAX's Annual Report on Form 10-K for the year ended December 31, 2013, for filing with the Securities and Exchange Commission.

**Submitted by the Audit Committee of the Board of Directors.**

Paul G. Gabos

Manuel Kadre

Enrique J. Sosa, Ph.D.

**Table of Contents****DIRECTORS AND EXECUTIVE OFFICERS****MEDNAX's Directors and Executive Officers**

MEDNAX's Directors and Executive Officers are as follows:

<b>Name</b>	<b>Age</b>	<b>Position with MEDNAX</b>
Roger J. Medel, M.D. (1)	67	Chief Executive Officer and Director
Cesar L. Alvarez (1)	66	Chairman of the Board of Directors
Manuel Kadre (1)(2)(3)	48	Lead Independent Director
Waldemar A. Carlo, M.D. (3)(5)	61	Director
Michael B. Fernandez (3)(4)	61	Director
Roger K. Freeman, M.D. (4)(5)	78	Director
Paul G. Gabos (1)(2)	48	Director
Pascal J. Goldschmidt, M.D. (5)	59	Director
Donna E. Shalala, Ph.D.	73	Director
Enrique J. Sosa, Ph.D. (2)(4)	73	Director
Joseph M. Calabro	53	President and Chief Operating Officer
Vivian Lopez-Blanco	56	Chief Financial Officer and Treasurer
Michael D. Stanley, M.D.	67	President, Pediatrix Medical Group
Karl B. Wagner	48	President, American Anesthesiology
Dominic J. Andreano	45	Senior Vice President, General Counsel and Secretary
David A. Clark	47	Chief Operating Officer, Pediatrix Medical Group
William C. Hawk	61	Chief Operating Officer, American Anesthesiology

- (1) Member of the Executive Committee.
- (2) Member of the Audit Committee.
- (3) Member of the Compensation Committee.
- (4) Member of the Nominating and Corporate Governance Committee.
- (5) Member of the Medical Science and Technology Committee.

*Roger J. Medel, M.D.*, has been a Director of the Company since he co-founded it in 1979. Dr. Medel served as the Company's President until May 2000 and as Chief Executive Officer until December 2002. In March 2003, Dr. Medel reassumed the position of President, serving in that position until May 2004, and Chief Executive Officer, a position in which he continues to serve today. Dr. Medel was a member of the Board of Trustees of the University of Miami from January 2004 to February 2012. Dr. Medel participates as a member of several medical and professional organizations and, from June 2006 to April 2009, served on the Board of Directors of MBF Healthcare Acquisition Corp. The Board of Directors has concluded that Dr. Medel's qualifications to serve on the Board include his experience as our Chief Executive Officer and founder of the Company and a physician with training and experience in the Company's historical base service line of neonatology.

*Cesar L. Alvarez* has been a Director since March 1997 and was elected as Chairman of the Board of Directors in May 2004. Mr. Alvarez has served since February 2012 as Co-Chairman of the international law firm of Greenberg Traurig, P.A. and previously served as its Chief Executive Officer from 1997 until his election as Executive Chairman in January 2010 and as its Executive Chairman from January 2010 until his election as Co-Chairman. Mr. Alvarez also serves on the Board of Directors of Fairholme Funds, Inc., Intrexon Corporation, Sears Holdings Corporation, St. Joe Company and Watsco, Inc. The Board of Directors has concluded that Mr. Alvarez's qualifications to serve on the Board include his management experience as the current Co-Chairman and as former Chief Executive Officer and Executive Chairman of one of the nation's largest law firms with professionals providing services in multiple locations across the country and abroad as well as his many years of corporate governance experience, both counseling and serving on the Boards of Directors of publicly traded and private companies.

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*Manuel Kadre* was elected as a Director in May 2007 and designated as Lead Independent Director in March 2014. Mr. Kadre has been the Chief Executive Officer of Gold Coast Caribbean Importers, LLC since July 2009 and Chairman and Chief Executive Officer of MBB Auto, LLC since December 2012. From 1995 until July 2009, Mr. Kadre served in various roles, including President, Vice President, General Counsel and Secretary of CC1 Companies, Inc., which distributes Coca-Cola and other beverage products in markets throughout the Caribbean. Mr. Kadre also serves on the Board of Trustees of the University of Miami and the Board of Governors of University of Miami Hospital. The Board of Directors has concluded that Mr. Kadre's qualifications to serve on the Board include his experience in acquiring and managing businesses, including those in regulated industries and in government relations, his financial expertise as well as his experience as a member of the Board of Trustees of the University of Miami.

*Waldemar A. Carlo, M.D.*, was elected as a Director in June 1999. Dr. Carlo has served as Professor of Pediatrics and Director of the Division of Neonatology at the University of Alabama School of Medicine since 1991. Dr. Carlo participates as a member of several medical and professional organizations. He has received numerous research awards and grants and has lectured extensively, both nationally and internationally. The Board of Directors has concluded that Dr. Carlo's qualifications to serve on the Board include his experience as a nationally known Professor of Neonatology leading one of the nation's largest academic neonatal practices as well as his experience performing scientific research and developing and implementing educational programs for physicians. Additionally, Dr. Carlo is a recipient of the Apgar Award, the highest recognition given to neonatologists by the American Academy of Pediatrics.

*Michael B. Fernandez* was elected as a Director in October 1995. Mr. Fernandez has served as Chairman and is and has been a Managing Director of MBF Healthcare Partners, L.P., a private equity firm focused on investing in healthcare service companies, since February 2005. He is also the Chairman of Simply Healthcare Holdings and Navarro Discount Pharmacies, LLC. Mr. Fernandez previously served as Chairman and Chief Executive Officer of CarePlus Health Plans Inc., a managed care HMO, from January 2003 until February 2005, as Chairman and Chief Executive Officer of Physicians Healthcare Plans, Inc., a Florida-based HMO, from 1992 until December 2002, and as Chairman and Chief Executive Officer of MBF Healthcare Acquisition Corp. from June 2006 until April 2009. Mr. Fernandez has served as a member of the Board of Trustees of the University of Miami and was on the Board of Directors of various private entities, including Healthcare Atlantic, Inc., a holding company that operates various healthcare entities. The Board of Directors has concluded that Mr. Fernandez's qualifications to serve on the Board include his experience over many years as a founder, investor and executive in a variety of successful healthcare businesses (including managed care companies), his financial and marketing expertise, as well as his experience as a member of the Board of Trustees of the University of Miami.

*Roger K. Freeman, M.D.*, was elected as a Director in May 2002. Dr. Freeman is a maternal-fetal medicine physician and is currently a Professor of Obstetrics and Gynecology at the University of California Irvine. In 1975, he founded Perinatal Associates of Southern California, a physician practice group that has been affiliated with the Company since we acquired Magella Healthcare Corporation ( Magella Healthcare ) in May 2001. In September 1999, Dr. Freeman retired from the private practice of medicine. Dr. Freeman has served on many national and local obstetrics and gynecology and maternal-fetal organizations. He is currently a member of the Long Beach Memorial Medical Center Foundation Board and is Vice President of the Todd Cancer Institute Advisory Board at Long Beach Memorial Medical Center. Dr. Freeman has authored numerous articles and three books. The Board of Directors has concluded that Dr. Freeman's qualifications to serve on the Board include his experience as a nationally known Professor of Obstetrics and Gynecology with expertise in maternal-fetal medicine as well as his experience with performing scientific research and developing and implementing educational programs for physicians.

*Paul G. Gabos* was elected as a Director in November 2002. Mr. Gabos served as Chief Financial Officer of Lincare Holdings Inc. ( Lincare ) from June 1997 until December 2012, after its merger with a subsidiary of Linde AG, and prior thereto served as Vice President Administration for Lincare. Prior to joining Lincare in

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1993, Mr. Gabos worked for Coopers & Lybrand and for Dean Witter Reynolds, Inc. Mr. Gabos currently serves on the Board of Directors of Health Insurance Innovations, Inc. The Board of Directors has concluded that Mr. Gabos' qualifications to serve on the Board include his management experience as a senior executive and financial expertise as Chief Financial Officer of a publicly traded healthcare services company and prior thereto as an investment banker with a large national firm.

*Pascal J. Goldschmidt, M.D.*, was elected as a Director in March 2006. Dr. Goldschmidt has been the Chief Executive Officer of the University of Miami Health System since November 2007 and the Senior Vice President for Medical Affairs and Dean of the University of Miami Leonard M. Miller School of Medicine since April 2006. Previously, Dr. Goldschmidt was a faculty member with the Department of Medicine at Duke University Medical Center where he served as Chairman from 2003 to 2006 and as Chief of the Division of Cardiology from 2000 to 2003. Dr. Goldschmidt served on the Board of Directors of Health Management Associates from June 2011 until August 2013 and previously served as a director for Opko Health, Inc. from 2007 until 2011. The Board of Directors has concluded that Dr. Goldschmidt's qualifications to serve on the Board include his experience as a Chief Executive Officer of a healthcare and hospital system, as Dean of a premier medical school managing physicians and other healthcare professionals, as a physician trained in cardiology, as well as his experience performing scientific research and developing and implementing educational programs for physicians.

*Donna E. Shalala, Ph.D.*, was elected as a Director in May 2010. Dr. Shalala has served as the President of the University of Miami and Professor of Political Science at the University of Miami since 2001. From 1993 until 2001, Dr. Shalala served as the United States Secretary of Health and Human Services. Dr. Shalala served as Chancellor and Professor of Political Science at the University of Wisconsin-Madison from 1987 to 1993 and as President and Professor of Political Science at Hunter College from 1980 to 1987. From 1977 to 1980, Dr. Shalala served as Assistant Secretary of the Department of Housing and Urban Development. Dr. Shalala is a member of the Institute of Medicine of the National Academy of Medicine. Dr. Shalala served as a director of Lennar Corporation from 2001 to April 2012 and as a director of UnitedHealth Group Incorporated from 2001 to 2011 and as a director of Gannet Co., Inc. from 2001 to May 2011. The Board of Directors has concluded that Dr. Shalala's qualifications to serve on the Board include her expertise in health policy, financing and administration and her experience as the former Secretary of the United States Department of Health and Human Services as well as the current President of the University of Miami, one of the top research universities in the country.

*Enrique J. Sosa, Ph.D.*, was elected as a Director in May 2004. Dr. Sosa, who is presently retired, served as President of BP Amoco Chemicals from January 1999 to April 1999. From 1995 to 1998, he was Executive Vice President of Amoco Corporation. Prior to joining Amoco, Dr. Sosa served as Senior Vice President of The Dow Chemical Company, President of Dow North America and a member of its Board of Directors. Dr. Sosa was a director of FMC Corporation from June 1999 until April 2012 and a director of Northern Trust Corporation from April 2007 until April 2012. The Board of Directors has concluded that Dr. Sosa's qualifications to serve on the Board include his management and financial expertise as a former executive officer of large international industrial businesses, his many years of experience with corporate governance, and his service on the Boards of Directors of other publicly traded companies.

*Joseph M. Calabro* joined the Company in January 1996 as Chief Information Officer. In January 2000, Mr. Calabro was appointed Executive Vice President, Management, in May 2000, he was appointed Chief Operating Officer, and in May 2004, he was appointed President. Prior to joining the Company, Mr. Calabro served as Director of Information Technology for the Ambulatory Surgery Group of Columbia/HCA. He served in various operational and technology positions for various healthcare companies from 1987 to 1994.

*Vivian Lopez-Blanco* joined the Company in May 2008 as Vice President and Treasurer and was appointed Chief Financial Officer in January 2010. Prior to joining the Company, from 2003 to 2008, Ms. Lopez-Blanco served as Chief Financial Officer of Carrols Corporation's Hispanic Restaurants Division, which includes the Pollo Tropical and Taco Cabana concepts. Ms. Lopez-Blanco joined Pollo Tropical in 1997 as Controller, was

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promoted to Chief Financial Officer in 1998 and led the Company through its acquisition by Carrols. Prior to Pollo Tropical, Ms. Lopez-Blanco served in a variety of positions with an international accounting firm. Ms. Lopez-Blanco is a certified public accountant.

*Michael D. Stanley, M.D.*, joined the Company in 1997 and became President of our Pediatrix Division in February 2012. Dr. Stanley previously served as our Regional President, South Central Region for the Pediatrix Division from January 2002 until February 2012 and prior thereto as our Vice President of Medical Operations, South Central Region. Dr. Stanley is board certified in pediatrics and neonatal-perinatal medicine.

*Karl B. Wagner* joined the Company in May 1997 and became President of our American Anesthesiology Division in January 2010. Mr. Wagner was appointed Chief Financial Officer and Treasurer in August 1998 and served as the Company's Chief Financial Officer from August 1998 until December 2009, and as Treasurer from August 1998 until May 2008. Prior to his appointment, Mr. Wagner served as the Company's Controller. Prior to joining the Company, Mr. Wagner was Chief Financial Officer for the East Region of Columbia/HCA's Ambulatory Surgery Group from January 1995 until May 1997. From July 1993 through January 1995, Mr. Wagner was Assistant Controller of Medical Care International, Inc., a subsidiary of Medical Care America, Inc.

*Dominic J. Andreano* joined the Company in September 2001 and was appointed Senior Vice President, General Counsel and Secretary in May 2012. Prior to his appointment, Mr. Andreano previously served as Deputy General Counsel for the Company from January 2009 until May 2012, as Associate General Counsel for the Company from January 2004 until December 2008, and prior thereto as Director, Business Development. Prior to joining the Company, Mr. Andreano was an associate in the corporate securities department of Holland & Knight, LLP in Miami from June 2000 until September 2001, and an associate in the healthcare corporate department of Greenberg Traurig, P.A. in Miami from September 1997 until June 2000.

*David A. Clark* joined the Company in May 2001 and has been Chief Operating Officer of our Pediatrix Division since August 2008 with executive officer responsibilities since January 1, 2009. Mr. Clark served as Senior Vice President, Operations from December 2003 until August 2008, and as Vice President of Operations, South Central Region from November 2001 to November 2003. From June 2000 to October 2001, Mr. Clark was Vice President of Operations for Magella Healthcare, which we acquired in 2001, and prior thereto he was Vice President of Business Development for Magella Healthcare. Mr. Clark is a certified public accountant.

*William C. Hawk* joined the Company in 2005, served as Senior Vice President of Operations, Anesthesia Services from May 2006 until July 2013 and was promoted to Chief Operating Officer, American Anesthesiology in July 2013. Prior to joining the company, Mr. Hawk was founder and Chief Executive Officer of SHC Companies, Inc., a healthcare services company, and was a Senior Vice President with Medical Care America, Inc., from 1992 to 1995.

## **Committees of the Board of Directors**

### **Audit Committee**

MEDNAX's Audit Committee held seven meetings in 2013. Messrs. Gabos and Kadre and Dr. Sosa were members of the committee throughout 2013. Mr. Gabos acted as chair of the committee throughout 2013. MEDNAX's Board of Directors has determined that each of Mr. Gabos and Dr. Sosa qualify as audit committee financial experts as defined by the rules and regulations of the Securities and Exchange Commission and that each of Messrs. Gabos and Kadre and Dr. Sosa meet the independence requirements under such rules and regulations and for a New York Stock Exchange listed company.

MEDNAX's Board of Directors has adopted a written charter for the Audit Committee setting out the functions that it is to perform. A copy of the Audit Committee Charter is available on our Website at [www.mednax.com](http://www.mednax.com).



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Please refer to the Report of the Audit Committee, which is set forth above, for a further description of our Audit Committee's responsibilities and its recommendation with respect to our audited consolidated financial statements for the year ended December 31, 2013.

### **Compensation Committee**

MEDNAX's Compensation Committee held six meetings in 2013. Dr. Carlo and Messrs. Fernandez and Kadre were members of the committee throughout 2013. Mr. Kadre acted as chair of the committee throughout 2013. MEDNAX's Board of Directors has determined that each of Dr. Carlo and Messrs. Fernandez and Kadre meet the independence requirements for a New York Stock Exchange listed company.

MEDNAX's Board of Directors has adopted a written charter for the Compensation Committee setting out the functions that it is to perform. A copy of the Compensation Committee Charter is available on our Website at [www.mednax.com](http://www.mednax.com).

The primary purpose of MEDNAX's Compensation Committee is to assist MEDNAX's Board of Directors in the discharge of the Board of Directors' responsibilities relating to compensation of executives. The scope of authority of MEDNAX's Compensation Committee includes the following:

Evaluating the performance of and setting the compensation for MEDNAX's Chief Executive Officer and other executive officers;

Supervising and making recommendations to MEDNAX's Board of Directors with respect to incentive compensation plans and equity-based plans for executive officers;

Overseeing the review of the Company's incentive compensation arrangements to determine whether they encourage excessive risk-taking, including discussing at least annually the relationship between risk management policies and practices and compensation and considering, as appropriate, compensation policies and practices that could mitigate any such risk;

Evaluating whether or not to engage, retain, or terminate an outside consulting firm for the review and evaluation of MEDNAX's compensation plans and approving such outside consulting firm's fees and other retention terms; and

Conducting an annual self-assessment of the Compensation Committee.

Upon a determination of MEDNAX's full Compensation Committee membership, matters may be delegated to a subcommittee for evaluation and recommendation back to the full committee. For a description of the role performed by executive officers and compensation consultants in determining or recommending the amount or form of executive and Director compensation, see Executive Compensation: Compensation Discussion and Analysis - How Pay Decisions are Made.

### **Nominating and Corporate Governance Committee**

MEDNAX's Nominating and Corporate Governance Committee held one meeting in 2013. Drs. Freeman and Sosa and Mr. Fernandez were members of the committee throughout 2013. Dr. Freeman acted as chair of the committee throughout 2013. MEDNAX's Board of Directors has determined that each of Drs. Freeman and Sosa and Mr. Fernandez meet the independence requirements for a New York Stock Exchange listed company.

MEDNAX's Board of Directors has adopted a written charter for the Nominating and Corporate Governance Committee setting out the functions that it is to perform. A copy of the Nominating and Corporate Governance Committee Charter is available on our Website at [www.mednax.com](http://www.mednax.com).

The Nominating and Corporate Governance Committee assists the Board of Directors with respect to nominating new Directors and committee members and taking a leadership role in shaping the corporate governance of MEDNAX. To fulfill its responsibilities and duties, the committee, among other things, reviews



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the qualifications and independence of existing Directors and new candidates; assesses the contributions of current Directors; identifies and recommends individuals qualified to be appointed to committees of the Board of Directors; considers rotation of committee members; reviews the charters of the committees and makes recommendations to the full Board of Directors with respect thereto; develops and recommends to the Board of Directors corporate governance principles, including a code of business conduct; and evaluates and recommends succession plans for MEDNAX's Chief Executive Officer and other senior executives.

Although the Nominating and Corporate Governance Committee does not solicit director nominations, the committee will consider candidates suggested by shareholders in written submissions to MEDNAX's Secretary in accordance with the procedures described below in the section entitled "Information Concerning Shareholder Proposals." In evaluating nominees for Director, the committee does not differentiate between nominees recommended by shareholders and others. In identifying and evaluating candidates to be nominated for Director, the committee reviews the desired experience, mix of skills and other qualities required for appropriate Board composition, taking into account the current Board members and the specific needs of MEDNAX and its Board of Directors. Although the committee does not have a formal policy with regard to the consideration of diversity in identifying Director nominees, the Committee's review process is designed so that the Board of Directors includes members with diverse backgrounds, skills and experience, and represents appropriate financial, clinical and other expertise relevant to the business of MEDNAX. At a minimum, Director candidates must meet the following qualifications: high personal and professional ethics, integrity and values and a commitment to the representation of the long-term interests of our shareholders. Although the committee's charter permits the committee to engage a search firm to identify Director candidates, MEDNAX did not pay any third parties a fee to assist in the process of identifying or evaluating Director candidates in 2013.

## **Risk Considerations in Our Compensation Programs**

The Company has reviewed its compensation structures and policies as they pertain to risk and has determined that our compensation programs do not create or encourage the taking of risks that are reasonably likely to have a material adverse effect on the Company.

## **Certain Relationships and Related Person Transactions**

### **Review and Approval of Related Person Transactions**

MEDNAX has a written policy for the review and approval or ratification of transactions (i) between MEDNAX and any MEDNAX Director or any other entity in which any MEDNAX Director is a director, officer or has a financial interest; and (ii) in which MEDNAX is or will be a participant and any related person has or will have a direct or indirect material interest. For purposes of the policy, a related person includes any MEDNAX Director or Director nominee, executive officer or holder of more than 5% of the outstanding voting stock of MEDNAX or any of their respective immediate family members. The policy does not apply to transactions pertaining to (i) director or officer compensation that is approved or recommended to MEDNAX's Board of Directors for approval by MEDNAX's Compensation Committee or (ii) the employment by MEDNAX of any immediate family member of a related person in a non-officer position and at compensation levels commensurate with that paid to other similarly situated employees.

Pursuant to the terms of the policy, all covered transactions, if determined to be material by MEDNAX's General Counsel or if the transaction involves the participation of a member of the MEDNAX Board of Directors, are required to be promptly referred to the disinterested members of the MEDNAX Audit Committee for their review or, if less than a majority of the members of MEDNAX Audit Committee are disinterested, to all the disinterested members of the MEDNAX Board of Directors. Pursuant to the terms of the policy, materiality determinations must be based on the significance of the information to investors in light of all circumstances, including, but not limited to, the (i) relationship of the related persons to the covered transaction, and with each other, (ii) importance to the person having the interest, and (iii) amount involved in the transaction. All transactions involving in excess of \$120,000 are automatically deemed to be material pursuant to the terms of the policy.

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The disinterested Directors of MEDNAX's Audit Committee or Board of Directors, as applicable, are required to review such material covered transactions at their next regularly-scheduled meeting, or earlier if a special meeting is called by the Chairman of the Audit Committee and may only approve such a material covered transaction if it has been entered into in good faith and on fair and reasonable terms that are no less favorable to MEDNAX than those that would be available to MEDNAX in a comparable transaction in arm's length dealings with an unrelated third party at the time it is considered by the disinterested Directors of MEDNAX's Audit Committee or Board of Directors, as applicable.

All of the transactions described in "Transactions with Related Persons" below were covered transactions under our policy and the policies and procedures required by the policy were followed in connection with the review and approval or ratification of all of such transactions.

### **Transactions with Related Persons**

Mr. Alvarez has served on MEDNAX's Board of Directors since March 1997. Mr. Alvarez is the Co-Chairman of Greenberg Traurig, P.A., which serves as one of MEDNAX's outside counsels and receives customary fees for legal services. In 2013, MEDNAX paid Greenberg Traurig, P.A. approximately \$1,468,000 for such services and currently anticipates that this relationship will continue.

Deborah Medel-Guerrero, the daughter of Dr. Medel, is employed by MEDNAX as its Regional Operations Specialist for the Company's Atlantic Region and is responsible for assisting in the oversight, analysis and administration of practice operations for multiple practices and clinical locations. In 2013, MEDNAX paid Ms. Medel-Guerrero \$131,446 in salary and bonus and provided her certain health and other benefits customarily provided to similarly situated employees. In addition, in 2013, MEDNAX granted Ms. Medel-Guerrero a restricted stock award of 2,504 shares of our common stock with a three-year vesting period, and with other terms that applied to awards granted to other key employees on the same date.

Sandra Medel, the daughter of Dr. Medel, is employed by MEDNAX as Staff Counsel and is responsible for providing legal support and advice in the areas of contracting and litigation. In 2013, MEDNAX paid Ms. Medel \$124,027 in salary and bonus and provided her certain health and other benefits customarily provided to similarly situated employees. In addition, in 2013, MEDNAX granted Ms. Medel a restricted stock award of 324 shares of our common stock with a three-year vesting period, and with other terms that applied to awards granted to other key employees on the same date.

### **Compensation Committee Interlocks and Insider Participation**

In 2013, none of our executive officers or Directors was a member of the Board of Directors of any other company where the relationship would be considered a compensation committee interlock under the SEC rules.

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**EXECUTIVE COMPENSATION: COMPENSATION DISCUSSION AND ANALYSIS (CD&A)**

**SECTION I: A MESSAGE TO OUR SHAREHOLDERS**

Dear MEDNAX Shareholders,

The principal responsibility of the Compensation Committee of the Board of Directors ( the Compensation Committee ) is to ensure that we have an executive compensation program in place that attracts and retains the best executive workforce in our industry. At the same time, we must operate as an efficient business, focusing on the long-term interests of our shareholders. To this end, we believe that having the highest-quality, most-experienced leadership team in place is critical to our mission: Take great care of the patient®.

Given the substantive changes to healthcare and economic landscapes, we are extremely fortunate to have one of the longest-serving leadership teams in our industry. For more than a decade, Dr. Medel and his team have delivered consistent financial results during highly-uncertain times. Over this time, we believe that our executive compensation program has played a critical role in incentivizing this team not only to stay at MEDNAX, but to commit to operating in a way that creates long-term value.

During 2013, we received feedback from some of our largest investors about changes to consider as we make decisions about how certain features of the executive compensation program will work in the future. On pages 19-32 of this Proxy Statement, you will find details about what we heard and how we are responding to the feedback, including the adoption of governance policies relating to officer compensation and adjustments to the performance criteria for equity-based awards. We believe that with these changes, the program will continue to operate in the best interests of our shareholders, remain highly-competitive in our specialized industry and better link pay with our performance goals in the most responsible way for all of MEDNAX's constituencies.

Beginning on the next page of this Proxy Statement, we present specific information about the compensation paid to our Chief Executive Officer ( CEO ) and other Named Executive Officers ( NEOs ) for 2013. You will find an overview of how our executive compensation program works and the decisions made about pay, as well as how they were made. Making sure you understand the rationale for our decisions is a top priority, as ongoing support for the executive compensation program is critical to our overall success.

Finally, we want to thank you for making MEDNAX part of your investment portfolio. You can be confident in our commitment to deliver exceptional performance that drives shareholder value over the long-term and quality care for the patients that depend on MEDNAX.

Sincerely,

Manuel Kadre

Compensation Committee Chairman

***Compensation Committee Report***

The Compensation Committee determines the compensation for our CEO and other NEOs and oversees the administration of our executive compensation program. The Compensation Committee is composed entirely of independent Directors and is advised as necessary by independent consultants and legal counsel. Our CEO provides advice and recommendations to the Compensation Committee with respect to the compensation of other senior executive officers. Under the rules of the Securities and Exchange Commission, our NEOs for 2013 are:

Roger J. Medel, M.D., Chief Executive Officer

Vivian Lopez-Blanco, Chief Financial Officer and Treasurer

Joseph M. Calabro, President and Chief Operating Officer

Karl B. Wagner, President, American Anesthesiology

Michael D. Stanley, M.D., President, Pediatrix Medical Group

In fulfilling our role, we met and held discussions with the Company's management and reviewed and discussed this CD&A. Based on our review and such discussions, we recommended to the Board of Directors that the CD&A be included in this Proxy Statement.

Submitted by the Compensation Committee of the Board of Directors:

Manuel Kadre

Waldemar A. Carlo, M.D.

Michael B. Fernandez

*This Compensation Committee Report does not constitute soliciting material and should not be deemed filed or incorporated by reference into any of MEDNAX's filings under the Securities Act or the Exchange Act, except to the extent that we specifically incorporate such report by reference.*

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**SECTION II: EXECUTIVE SUMMARY**

**2013 Business Highlights**

Stability and building long-term value are at the core of everything we do. Our unique healthcare model has been in place for over 30 years, allowing us to focus on what is most important in our industry – taking great care of our patients and improving patient outcomes. In 2013, we continued to position ourselves for the future of healthcare by concentrating on our long-term growth strategy. We remained disciplined in our spending, highly-selective in our acquisitions and resilient in the face of the changing healthcare landscape. Key financial results for the last three fiscal years are highlighted below:

Our proven track record is also validated by the sustained growth of our diluted earnings per share and annual cash flow from operations over the last ten years and correspondingly strong positive annualized total shareholder returns, which we know are meaningful measures of performance for our shareholders:

**Note:** All share and per share amounts for all periods presented and discussed in this proxy statement reflect the effect of two-for-one stock splits effected in 2006 and 2013.

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### **Response to Say-on-Pay Vote and Shareholder Outreach in 2013**

In 2013, we provided our shareholders with the opportunity to approve, or vote against, the compensation of our NEOs ( say-on-pay ). Approximately 62% of the votes cast approved the executive compensation program, and we recognized that this was significantly lower than the 88% approval we received in 2012. We are committed to ensuring that our investors fully understand our executive compensation program, including how it aligns the interests of our executives with our shareholders and how it rewards the achievement of our strategic objectives. To this end, we determined that a shareholder outreach effort was necessary and important in order to obtain a deeper understanding of our investors issues and concerns regarding our compensation program.

We engaged in an extensive shareholder outreach effort, contacting our top 45 investors, representing the holders of over 87% of our outstanding shares. Of the investors we contacted, 18 expressed interest in meeting with us. We then met, either by phone or in person with these 18 investors, representing the holders of more than 52% of our outstanding shares. These meetings were led by our Compensation Committee Chairman and our Chief Financial Officer.

During these meetings, shareholders provided feedback on a variety of topics. Shareholders consistently noted that they were very pleased with the Company s financial performance, as well as the leadership of our Chief Executive Officer and other Company management. Perspectives on our executive compensation program varied across the discussions; however, the most common theme was the link between pay for performance, specifically with regard to our annual equity-based awards. Additionally, shareholders expressed interest in our adoption of certain corporate governance policies that enhance the overall executive compensation program. Shareholders appreciated the opportunity to engage in these discussions and the Company s willingness to consider their input in designing the Company s executive compensation program in the future.

The following further details what we heard from our shareholders:

#### Annual Equity-Based Awards

Use more rigorous performance metrics

Shorten the performance measurement period

Use more than one performance metric in setting performance goals

Consider using total shareholder return as a performance metric

Consider setting performance goals over a multi-year period

#### Corporate Governance Policies

Consider adopting a clawback policy

Consider adopting a stock ownership and retention policy

### **Changes to the Executive Compensation Program**



The following outlines how we are responding to what we heard:

**Equity-based award grants.** Given that there were only three weeks between our shareholder outreach efforts and the 2013 equity grant, we were only able to fully consider and make a few immediate adjustments. During the remainder of 2013, the Compensation Committee spent a significant amount of time reviewing the advice of its independent compensation consultant and other advisors with management in order to carefully structure our compensation program to create an even stronger, more direct link between executive pay and performance and respond to the feedback from our shareholders.

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Here's what we changed for the 2013 grants and what's changing in 2014:

For 2013, grants continued to be in the form of time-based restricted stock, with a performance goal to ensure the grants qualify as performance-based compensation under §162(m) of the Internal Revenue Code. The performance goal was changed to the achievement of a specified level of annualized income from operations, and the length of time allowed to achieve the goal before the grant is forfeited was shortened. For these grants, performance is measured based on the achievement of \$425 million in income from operations over any 12-month period ending between March 31, 2014 and March 31, 2015. If the annualized income from operations goal is not achieved by March 31, 2015, the entire grant is forfeited. If the annualized income from operations goal is achieved, the grants will vest over a three year period as described below under 2013 Equity-Based Awards: Time-Based Restricted Stock .

For 2014, awards will be granted using a combination of performance shares (50%) and time-based restricted stock (50%). The performance shares will be measured based on the achievement of two rigorous financial targets, which will be specific levels of pre-defined revenue and income from operations goals. The performance measurement period will be annual, with any shares earned during the initial measurement period vesting over the first three anniversaries of the grant date. The shares earned can vary from 0% to 150% of target (0% if the threshold performance goal is not achieved) based on how results compare to goals over the annual performance period with any above target awards earned only in the case of significant growth. The time-based restricted stock will vest over the first three anniversaries of the grant date and have a performance-based goal to ensure that the grants qualify under §162(m) of the Internal Revenue Code.

**Corporate Governance Policies.** We also adopted the following new policies in 2014 to enhance the alignment of our program features with best-practices and investor expectations:

Clawback Policy: This policy permits the Company to seek to recover certain amounts of incentive compensation, including both cash and equity, awarded to any executive officer (as defined in the Exchange Act) on or after January 1, 2014 if payment of such compensation was based on the achievement of financial results that were subsequently the subject of a restatement of our financial statements due to misconduct, and if the executive officer engaged in improper conduct that materially contributed to the need for restatement, and a lower amount of incentive compensation would have been earned based on the restated financial results.

### **Measuring Pay-for-Performance at MEDNAX**

In the healthcare services industry, company stock prices at any point in time can be significantly affected by changes (actual or anticipated) in the regulatory environment. Additionally, regulatory changes affect different healthcare companies in varying ways. For MEDNAX specifically, factors such as timing of acquisitions, effects of reimbursement-related factors such as Medicaid parity or payor mix shifts are often unpredictable.

For these reasons, we do not use relative total shareholder return as a key performance metric in our program. Instead, our performance goals are focused on internal key financial metrics that *drive* long-term value creation, such as revenue and profitability. We fully expect that meeting these metrics will over time translate into increased shareholder value. For equity-based awards, our share price ultimately should reflect whether we have executed this strategy successfully and the three-year vesting schedule for equity grants ensures our officers maintain a long-term perspective.

For many of these same reasons, we do not incorporate financial goals over a multi-year period (such as cumulative earnings over three years) into our officer compensation program. Our long-term strategy emphasizes continued growth through a disciplined approach in acquiring established physician practices in our specialties, and any multi-year goals would necessarily need to reflect assumptions and projections about both the level and type of acquisitions made during the measurement period.

The Compensation Committee believes that this approach is in the best interests of all of MEDNAX's constituents. Of course, we will continue to refine our approach as the healthcare landscape continues to evolve.



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**Stock Ownership and Retention Policy:** NEOs are required to hold a prescribed level of MEDNAX common stock, further linking their interests with those of our shareholders. In addition, 50% of net after-tax vested shares must be retained until a NEO meets the stock ownership requirement. All members of our Board of Directors are also required to hold a prescribed level of MEDNAX common stock.

**Anti-Hedging and Anti-Pledging Policy:** All MEDNAX directors, management, financial and other insiders are prohibited from engaging in transactions in securities of MEDNAX or derivatives of MEDNAX securities that might be considered hedging, such as selling short or buying or selling options. In addition, it is against the policy for such persons to hold securities in margin accounts or pledge MEDNAX securities as collateral for a loan, unless such person clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities.

### **CEO Pay At-A-Glance**

The significant majority (approximately 88%) of our CEO pay is variable and linked to financial performance that is focused on long-term growth objectives and aligned with our stock performance. Dr. Medel's total direct compensation (base salary, annual bonus and target value of equity-based awards) for 2013 was virtually unchanged from 2012. The chart shows the elements of actual CEO total direct compensation awarded to Dr. Medel for 2013 performance, as compared to the prior year compensation. Because the Compensation Committee spent such a significant amount of time in 2013 designing the executive compensation program for 2014, the chart below also reflects the currently anticipated target total direct compensation for 2014.

Dr. Medel's current target bonus opportunity of 150% of base salary was established in 2008 after evaluating actual CEO bonus payouts at our peer companies over the previous several years. An updated analysis conducted during 2013 confirmed that while most of our peer companies set a target bonus for the CEO at 100% of base salary, actual bonus payouts often are well above target. For the 2008-2012 period, the median bonus paid to CEOs of our peer companies was 123% of base salary and the 75<sup>th</sup> percentile bonus paid was 158% of base salary. Despite our consistently strong operating performance results, our average bonus payout over the last 10 years has been approximately 104% of target. Dr. Medel's average bonus payout for the 2008-2013 period has been 156% of his salary, which is between the median and 75th percentile historical payout (2008-2012) of our peer group.

**Table of Contents****Historic Special Equity Grants: Vesting Update**

In 2011, Dr. Medel received a special one-time equity grant of 174,320 performance-based restricted stock units ( RSUs ). This grant was pursuant to the Company's 2008 Incentive Compensation Plan in recognition of his agreement to continue his role as CEO of MEDNAX for an additional five years as the Company continued its expansion into the anesthesiology service line. Dr. Medel's leadership and oversight was considered extremely important during this period to ensure that the development of this service line was implemented effectively. The RSUs are earned in increments of 25% only if the Company achieves specified annualized income from operations goals (on a trailing four quarters basis), set to be progressively more challenging. As a result, the realized value of the RSUs is driven by the Company's financial and stock-price performance. Any unearned RSUs are forfeited if the income from operations goals are not achieved by December 31, 2018.

During 2013, 25% of the special grant vested when the Company achieved the first income from operations goal of \$390 million after the first quarter of 2013 and an additional 25% vested when the Company achieved the second income from operations goal of \$430 million after the third quarter of 2013. The remaining RSUs will continue to vest in accordance with the underlying income from operations goals. For additional information regarding the vesting of the RSUs in connection with the termination of Dr. Medel's employment, see the Triggering Event Table of this CD&A.

In addition, in 2013, 200,000 RSUs from two special deferred equity awards granted in 2008 vested in accordance with their respective time-based vesting provisions (i.e., the fifth anniversary of the date of grant), as the performance requirements on these grants had been satisfied in previous years.

**SECTION III: OVERVIEW OF THE EXECUTIVE COMPENSATION PROGRAM****The Guiding Principles of Our Pay Philosophy**

The Compensation Committee has designed our executive compensation program with the following guiding principles in mind:

**Quality of Personnel and Competitiveness.** We are committed to employing the highest quality executive team in the healthcare services industry. We expect our executives to be of the highest caliber in terms of business acumen and integrity. We closely analyze and understand compensation for executives at similarly situated companies to help ensure we can effectively compete for and retain key talent.

**Alignment of Interests.** We must offer a total executive compensation package that best supports our leadership talent and growth strategies and focuses executives on financial and operational results. We use a mix of fixed and variable (at-risk) pay to support these objectives, by giving our executives a substantial equity stake in the business and rewarding them for performance that drives shareholder value over the long term.

**Compliance with Regulatory Guidelines and Sensible Standards of Corporate Governance.** We comply with applicable rules, statutes, regulations and guidelines and monitor our compensation program on an ongoing basis to ensure it abides by applicable requirements. Specifically, we focus on relevant considerations in the areas of accounting cost, tax impact, cash flow constraints, risk management and other sensible standards of good corporate governance.

**Elements of Pay**

Our pay philosophy is supported by the following pay elements in our executive compensation program:

<b>Element</b>	<b>Form</b>	<b>Purpose</b>
Base Salary	Cash (Fixed)	Provides a competitive level of pay that reflects the executive's experience, role and responsibilities
Annual Bonus	Cash (Variable)	Rewards executives for achieving income from operations goals in the most recent performance year

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Long-Term Incentives	Equity (Variable)	Provide meaningful incentives for management to execute on longer-term financial and strategic growth goals that drive shareholder value creation and support the Company's retention strategy
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### **Pay Mix**

The charts below show that most of our NEOs' total direct compensation is variable (88% for the CEO and an average of 82% for our other NEOs) based upon actual awarded 2013 compensation:

### **How Pay Decisions Are Made**

The Compensation Committee, composed solely of independent Directors, is responsible for making pay decisions for the NEOs. The Compensation Committee works very closely with its independent consultant, which for 2013 was Pearl Meyer & Partners, LLC ( PM&P ), and management to examine pay and performance matters throughout the year. The Compensation Committee held six meetings over the course of 2013. The Compensation Committee's written charter can be accessed on the MEDNAX website at [www.mednax.com](http://www.mednax.com).

#### *The Role of the Compensation Committee and Management*

The primary role of the Compensation Committee is to assist MEDNAX's Board of Directors in the discharge of the Board's responsibilities related to executive compensation matters. The Compensation Committee's responsibilities include:

Evaluating the performance of and setting pay for the CEO and other NEOs;

Supervising and making recommendations to the Board about changes to the executive compensation program;

Overseeing the annual review of the Company's incentive compensation elements to determine whether they encourage excessive risk taking, including discussing the relationship between risk management policies and practices and pay;

Evaluating whether or not to engage, retain, or terminate an outside consulting firm for the review and evaluation of MEDNAX's executive compensation program and approving such outside consulting firm's fees and other retention terms; and

Conducting an annual self-assessment of the Compensation Committee's performance.

The CEO does not play any role in the Compensation Committee's determination of his own pay; however, the Compensation Committee solicits input from the CEO concerning the performance and compensation of the other NEOs. The CEO bases his recommendations on his assessment of each individual's performance, tenure and experience in the role, external market pay practices, retention risk and MEDNAX's overall pay philosophy.

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### *The Role of Independent Consultants*

The Compensation Committee continually reviews executive compensation to ensure that it reflects our pay philosophy and, as necessary, retains the services of an independent consultant to assist in such review. During 2013, the Compensation Committee retained PM&P to provide data and analysis with respect to the compensation paid to our NEOs. The Compensation Committee has assessed the independence of PM&P pursuant to applicable SEC rules, NYSE listing standards and its own committee charter and concluded that no conflict of interest exists that would prevent PM&P from independently advising the Compensation Committee.

### *Assessing External Market Practice*

As part of our pay philosophy, our executive compensation program is designed to attract, motivate and retain our executives in an increasingly competitive and complex talent market. To this end, we regularly evaluate industry-specific and general market compensation practices and trends to ensure that our program features and NEO pay opportunities remain appropriately competitive. The Compensation Committee considers publicly-available data, provided by its independent compensation consultant, for informational purposes when making its pay decisions. However, market data are not the sole determinants of the Company's practices or executive pay levels. When determining salaries, target bonus opportunities and annual equity grants for NEOs, the Compensation Committee also considers the performance of the Company and the individual, the nature of an individual's role within the Company, internal comparisons to the compensation of other Company officers, tenure with the Company and experience in the officer's current role.

The Compensation Committee last authorized a complete evaluation of NEO pay in 2011, at the time it was in discussions with the CEO about an extension of his employment agreement. PM&P prepared a report that included market references at various percentiles for all elements of direct compensation—base salary, bonus opportunity (target and actual), long-term incentive grant values and total direct compensation. These references were developed using publicly disclosed officer pay information from a group of 17 public companies in the healthcare services industry (our peer group). The companies included in our peer group were as follows:

Amedisys, Inc.	Health Management Associates, Inc.	Lincare Holdings Inc.*
AmSurg Corp.	HealthSpring, Inc.*	Magellan Health Services, Inc.
Brookdale Senior Living Inc.	HealthSouth Corporation	Team Health Holdings, Inc.
Chemed Corporation	Kindred Healthcare, Inc.	Tenet Healthcare Corporation,
DaVita Inc.	LifePoint Hospitals, Inc.	Universal Health Services, Inc.
Gentiva Health Services, Inc.	Laboratory Corporation of America	
	Holdings	

\* *HealthSpring, Inc. and Lincare Holdings both were acquired after the 2011 market study was completed.*

In determining the peer group, the Compensation Committee considered a variety of factors including revenue, income from operations, net income, market capitalization and enterprise value. Based on the advice of its consultant, the Compensation Committee established that top executive pay levels at publicly-traded companies in the healthcare services industry were more closely correlated to factors other than revenue. As such, the peer group was determined with an objective of placing MEDNAX near the median for both income from operations and enterprise value. Given MEDNAX's profitability, this meant that MEDNAX would rank in the lower quartile of its peers in terms of revenue and in the upper quartile of its peers in terms of net income and market capitalization.

An updated analysis of the remaining peer companies showed that as of year-end 2012, MEDNAX ranked near the peer 25<sup>th</sup> percentile in terms of revenue, the peer 60<sup>th</sup> percentile in terms of both operating income and enterprise value and the peer 80<sup>th</sup> percentile in terms of both net income and market capitalization. MEDNAX also ranked near or above the peer 75<sup>th</sup> percentile in terms of three-year growth rates for revenue, income from operations and net income and above the peer median in terms of annualized total shareholder return over the prior three-year and five-year periods. Data from the updated peer analysis are summarized in the tables below:



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	<u>Revenue</u>	<u>Income From Operations</u>	<u>Net Income</u>	<u>Market Capitalization*</u>	<u>Enterprise Value**</u>
<b>75th Percentile</b>	\$5,954.0	\$654.4	\$199.0	\$4,146.6	\$6,857.4
<b>Median</b>	\$2,988.7	\$289.1	\$151.5	\$2,290.2	\$3,668.2
<b>25th Percentile</b>	\$1,790.7	\$159.9	\$53.6	\$1,286.9	\$1,642.6
<b>MEDNAX, Inc.</b>	\$1,816.6	\$389.5	\$240.9	\$4,287.8	\$4,432.1
<b>MEDNAX, Inc. PERCENTILE RANK</b>	<b>27%</b>	<b>60%</b>	<b>80%</b>	<b>80%</b>	<b>60%</b>

**3-Year Compound Annual Growth Rates****Annualized Total Shareholder**

	<u>Revenue</u>	<u>Income From Operations</u>	<u>Net Income</u>	<u>Return</u>	
				<u>3-year</u>	<u>5-year</u>
<b>75th Percentile</b>	11.7%	4.5%	11.4%	14.0%	7.2%
<b>Median</b>	9.2%	0.0%	6.1%	9.2%	2.8%
<b>25th Percentile</b>	5.8%	-4.0%	-9.4%	4.7%	-0.5%
<b>MEDNAX, Inc.</b>	12.1%	8.5%	11.1%	9.8%	3.1%
<b>MEDNAX, Inc. PERCENTILE RANK</b>	<b>80%</b>	<b>93%</b>	<b>73%</b>	<b>53%</b>	<b>57%</b>

\* Market capitalization calculated as of February 2013.

\*\* Enterprise value is equal to market capitalization value plus total debt as reported for year-end 2012.

During 2013, this same peer group was used to establish market references for the Compensation Committee in a variety of other areas including key incentive design features, equity grant programs, historical CEO bonus payout levels, stock ownership policies, Board of Directors compensation and other policies relating to officer and Board member compensation. In addition, the Compensation Committee was provided information relating to NEO compensation practices as developed from companies considered to be MEDNAX peers by proxy advisory firms. However, since some of these advisory firms determine peers based primarily on comparable revenue, the Compensation Committee has not used information from these companies in evaluating NEO salaries, bonus opportunities and annual equity-based award values. The Compensation Committee believes that information from the peer group it has selected is more relevant.

**SECTION IV: THE EXECUTIVE COMPENSATION PROGRAM IN DETAIL****Base Salary**

The Compensation Committee reviews and approves base salary levels at the beginning of each year. Base salary decisions generally reflect the Compensation Committee's consideration of the external market practices of our peer group for comparable positions, published survey data, and subjective factors including the individual's experience, role, responsibilities and performance.

*2013 Base Salary Decisions*

For 2013, the Compensation Committee determined not to increase the base salaries for any of the NEOs with the exception of Ms. Lopez-Blanco. Her salary increase was made to further align her pay with market-competitive levels and recognize and reward her leadership role within the organization.

NEO	2012 Base Salary	2013 Base Salary	% Change
Roger J. Medel, M.D.	\$1,000,000	\$1,000,000	0%
Vivian Lopez-Blanco	\$375,000	\$400,000	6.6%
Joseph M. Calabro	\$600,000	\$600,000	0%
Karl B. Wagner	\$500,000	\$500,000	0%
Michael D. Stanley, M.D.	\$450,000	\$450,000	0%

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### Annual Bonuses

The Company's NEOs participate in an annual bonus program, which is administered under the shareholder-approved MEDNAX, Inc. Amended and Restated 2008 Incentive Compensation Plan, as amended. The annual bonus is designed to recognize annual performance achievements focused on growth in our Company's results of operations.

The Compensation Committee uses guidelines and may apply either positive or negative discretion to adjust the bonuses based on the actual level of income from operations achieved. In addition, the Compensation Committee uses a performance range at the target bonus level to minimize the variability of potential payouts. The bonus adjustment guidelines established for 2013 were as follows:

<b>Income From Operations:</b>	<b>% of Target Bonus Payout</b>
<b>Performance Goals</b>	
Less than \$389,500,000	0%
\$402,000,000	25%
\$415,000,000	50%
\$427,500,000	75%
\$440,000,000 to \$454,000,000	100%
\$458,000,000	125%
\$462,000,000	150%
\$466,000,000	175%
\$470,000,000	200%
<b>Income from operations in 2013 was \$452,100,000</b>	

Actual target bonus payout percentages will increase proportionately between each percentage amount based on the actual income from operations achieved by the Company.

### Why We Use Income From Operations

The Compensation Committee uses income from operations as its primary performance measure for annual bonuses and has for several years. This measure is used to encourage our NEOs to focus on efficiently managing our business and to execute on our acquisition growth strategy. Each year, the goal is set to exceed the prior year's results; we strive to set financial targets that are both challenging and realistic. Since this approach was first implemented a decade ago, actual bonus payouts for NEOs have averaged slightly above targets, while income from operations growth rates have consistently exceeded those of our peer group. Since 2004, bonus payouts have been less than 100% of the targets three times and have exceeded 120% of the targets only once.

The income from operations goal and maximum bonus award opportunities are also designed to satisfy the requirements of §162(m) of the Internal Revenue Code.

### 2013 Annual Bonus Decisions

The Compensation Committee establishes each NEO's maximum annual bonus opportunity as a percentage of the base salary in effect at the beginning of the year. The target bonus opportunity for each NEO is equal to 50% of such NEO's maximum bonus opportunity.

**Despite income from operations growth of over 16% in 2013, bonuses were paid at 100% of target, based on the guidelines above.**

Name	Maximum Annual Bonus as a % of Base Salary	Target Annual Bonus as a % of	Actual Annual Bonus as a % of	Actual Bonus (\$)
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		<b>Base Salary</b>	<b>Base Salary</b>	
Dr. Medel	300%	150%	150%	\$1,500,000
Mr. Calabro	200%	100%	100%	\$600,000
Mr. Wagner	200%	100%	100%	\$500,000
Ms. Lopez-Blanco	200%	100%	100%	\$400,000
Dr. Stanley	150%	75%	75%	\$337,500

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### **2013 Equity-Based Awards: Time-Based Restricted Stock**

As it has done in recent years, the Compensation Committee approved equity-based awards with a grant date of June 1, 2013 to our NEOs in the form of time-based restricted stock, with a performance goal to ensure the awards qualify as performance-based compensation under §162(m) of the Internal Revenue Code.

We used this approach to granting restricted stock because it gives our NEOs a meaningful equity stake in our business as the value of the award realized by the NEOs will depend on the value of our stock when the shares vest, further aligning the interests of our NEOs with those of our shareholders over the long term. The realized value of the awards can increase or decrease markedly from the date of the grant based on MEDNAX's performance. It also balances our critical need to retain the highest-caliber executives in our industry especially as the challenges in the healthcare sector grow increasingly more complex.

For the 2013 grants, the performance goal is to achieve at least \$425 million in income from operations over any annual period ending between March 31, 2014 and March 31, 2015. Results are evaluated at the end of each month. Here's how it works:

#### **If the goal is**

Achieved by March 31, 2014

Achieved during any 12-month period ending between April 30, 2014 and March 31, 2015

Not achieved by March 31, 2015

*2013 Equity-Based Award Decisions*

#### **Then**

Shares will vest in equal increments on the first three anniversaries of the grant date June 1 of 2014, 2015 and 2016, respectively.

The first increment of shares will vest on the date two weeks after the certification of results by the Compensation Committee, and the remaining increments will vest on June 1 of 2015 and 2016, respectively.

All shares are forfeited, regardless of time-based vesting.

The Compensation Committee did not increase the equity-based award levels for Dr. Medel or Messrs. Calabro and Wagner. Increases were made to the equity-based award levels of Ms. Lopez-Blanco and Dr. Stanley in an effort to further align their pay with market-competitive levels and recognize and reward their respective leadership roles within the organization and their individual contributions to our performance results. Additional information regarding the grants of equity compensation made to our NEOs during fiscal year 2013 is included in the Summary Compensation Table on page 34 and the Grants of Plan-Based Awards in 2013 table on page 35.

### **Changes We're Making in 2014: Introducing Performance Shares**

As explained on page 19 of this Proxy Statement, our ability to make substantive changes during the time between our outreach efforts to shareholders and the 2013 grants was limited. To this end, the adjustments we made for 2013 were only our first steps in responding to the feedback of our shareholders.

Starting in 2014, 50% of the equity-based award will be granted in performance shares that:

**Use two metrics:** Shares will be earned based on the achievement of revenue *and* income from operations goals, both of which we believe drive shareholder value creation. In particular, income from operations is a key driver of market capitalization value and income from operations growth is linked to shareholder returns.

**Have rigorous performance goals:** No shares will be earned unless some level of growth is achieved and a target award will be earned only if growth equals or exceeds 8%. NEOs may receive an above-target award if growth exceeds 13%. These goals are expected to vary year-to-year, based on various factors, including the effects of Medicaid parity and acquisition-related activities.

This new approach reflects the Compensation Committee's desire to set rigorous performance goals in a highly volatile and uncertain environment, while also rewarding NEOs when the Company achieves these goals and delivers sustained results for our shareholders.

Please refer to **2014 Equity-Based Awards: A Closer Look** on page 28 for more details about how the 2014 equity-based awards will work.

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### **2014 Equity-Based Awards: A Closer Look**

The Compensation Committee approved the 2014 equity program structure outlined below at its March 2014 meeting. Beginning with our annual 2014 grants, equity-based awards will be divided equally into performance share awards and time-based restricted stock awards.

In setting financial performance goals for the initial performance share awards to be made in June 2014, the Compensation Committee will receive recommendations from management based on the Company's strategic plan for the upcoming performance measurement period. The Compensation Committee, working with its independent compensation consultant and Company management, will continue to evaluate the impact of various drivers on revenue, income from operations and earnings per share using sensitivity analyses until the 2014 grants are awarded.

The growth rate targets for both revenue and income from operations for the 2014 performance period are considered challenging yet realistic and achievable. No shares will be earned unless some level of growth is achieved with a target award (100% of performance shares) only being earned if growth equals or exceeds 8% and an above-target award being earned only if growth exceeds 13%.

The 2014 performance goals have been set to appropriately reflect specific factors that are expected to have a direct impact on the results for this performance period. The growth rate targets for the 2014 performance period do differ from the Company's historical 5-year average growth rates because of volatility in the various drivers that impact results from year to year. The various drivers considered in setting the 2014 financial performance goals include, but are not necessarily limited to: acquisition-related activities, same-unit volume growth, reimbursement rates, payor mix and expense-related initiatives. Consideration was also given to those factors that impacted previous year results (positively or negatively) but are not anticipated to impact current year results.

More specifically, the most impactful driver that is expected to create significant volatility between the actual growth rates achieved in 2013 and the growth rate targets for 2014 is acquisition-related activities. During 2012, the Company completed acquisitions with a total purchase price of over \$457 million, of which over \$250 million was completed during the fourth quarter of 2012. The annual growth rates achieved during 2013 were favorably impacted by the contribution to both revenue and income from operations related to those 2012 acquisitions. In contrast, during 2013, the Company completed acquisitions with a total purchase price of \$251 million, a reduction from the activity in the previous year. This reduced level of acquisition-related investment in 2013 did not represent a change in the acquisition growth strategy of the Company but rather that the acquisition process is taking longer to complete, primarily based on increased involvement by hospitals in the due diligence process. However, because of this variability in timing and volume, the contribution to both revenue and income from operations in 2014 from these 2013 acquisitions is expected to have a less significant effect compared to 2013 growth. The 2014 performance goals for both revenue and income from operations were established with consideration of this factor as well as any additional variability in timing of acquisitions expected to close during 2014.

As the Company continues to grow, the base on which performance goals are set will continue to increase, and it will become increasingly challenging to maintain historical growth rates for both revenue and income from operations. This factor was also taken into account when setting the growth rate targets for the 2014 performance period.

The Committee believes the above approach used to establish financial performance goals for performance share awards results in goals that are adequately rigorous and will continue to motivate the executive team to drive the strong shareholder returns historically generated by the Company. Accordingly, the Committee believes that the performance shares to be awarded in June 2014 will appropriately align Company performance with executive compensation.

While this discussion of 2014 equity awards relates to growth targets for the 2014 year, we believe our approach to granting performance-based shares also creates long-term alignment, given that the value of the award realized by the NEOs will depend on the value of our stock when the shares vest over a multi-year period. As a result, we believe our NEOs are incentivized not only to execute on the Company's growth strategy but also to maintain discipline in its acquisition-related activities and processes in order to generate sustainable longer-term growth and increased shareholder value. We believe our approach also addresses our critical need to retain the highest-caliber executives in our industry—especially as the challenges in the healthcare sector grow increasingly more complex.

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Here is an overview:

**Equity Component**

**How It Will Work**

50% of the performance share award will be tied to revenue results and 50% of the performance share award will be tied to income from operations results; results for each metric are considered separately.

**Performance Share Awards  
(50%)**

*Purpose:* To have the percentage of shares earned vary with Company performance achievement compared to pre-established goals

Performance will initially be measured over a one-year period from April 1, 2014 through March 31, 2015.

If shares are earned during this initial measurement period, they will vest over the first three anniversaries of the grant date (June 2015, 2016 and 2017) based on continued employment.

Shares earned may vary from 0% to 150% of target based on growth rates of revenue and income from operations during the initial measurement period:

Growth Achieved(1)	Shares Earned
0% or Below	0%
>0% to 7.99%	See Footnote (2) below
8% to 13%	100%
13.01% to 20%	See Footnote (2) below
Over 20%	150%

*(1) Actual growth rate targets may be increased based on the Company's strategic plan and any other relevant factors through the date recommendations are made.*

*(2) Actual percentage of shares earned will be determined by linear interpolation based on the actual growth rate achieved. For example, for each 1% of growth achieved between >0% and 7.99%, 12.5% of the performance shares will be earned, and for each 1% of growth achieved between 13.01% and 20%, 7.1% of the performance shares will be earned. In each case, any earned performance shares are subject to additional time-based vesting.*

If the number of shares earned by March 31, 2015 is below 100% for each metric, NEOs can earn up to (but not to exceed) 100% of the award for that metric based on performance results between April 1, 2015 and March 31, 2016. In this case, shares will only be earned if results represent a 21% increase over the baseline period. Although this is a significant hurdle to achieve in the second measurement period, it provides the NEOs an incentive to continue to drive shareholder value over the long term. Any shares earned via this feature will vest on the third anniversary of the grant date (June 2017) based on continued employment.

*For example, if the Company achieves 5% growth during the initial measurement period (April 1, 2014 – March 31, 2015), the NEO will earn 62.5% of his or her performance shares. During the second measurement period (April 1, 2015 – March 31, 2016), additional growth of approximately 16% would be required in order for the NEO to earn the remaining 37.5% of his or her performance shares from this particular grant.*

Any shares not earned by March 31, 2016 will be forfeited.



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**Equity Component**

**How It Will Work**

**Restricted Stock Awards  
(50%)**

Based on pro-rata vesting over the first three anniversaries of the grant.

*Purpose:* To encourage the retention of executives, while providing a continuing incentive to increase shareholder value since the realized value of the award will depend on the Company's share price at the times an award vests

Vesting will be contingent upon the Company achieving a performance goal established at the time of the grant to preserve tax deductibility under §162(m) of the Internal Revenue Code. Once the performance goal is satisfied, shares will vest at the rate of one-third per year beginning on the first anniversary of the grant date.

If the performance goal is not achieved by the first anniversary of the grant date, all shares will be forfeited.

**Other Practices, Policies & Guidelines**

**Equity Grant Practices**

The Compensation Committee determines the effective date of annual equity-based awards without regard to current or anticipated stock price levels. Although usually made around mid-year, the Compensation Committee may also make, and in the past has made, grants during the course of the year, primarily for new hires, promotions, to retain valued employees or to reward exceptional performance. These grants may be subject to performance conditions and/or time-based vesting, and are issued on the date of grant approval or upon a date certain following the grant approval date.

We follow equity grant procedures designed to promote the proper authorization, documentation and accounting for all equity grants. Pursuant to these procedures the Compensation Committee or the Board of Directors must formally approve all equity awards during an in person or telephonic meeting or by the unanimous written consent executed by all members of the Compensation Committee or the Board of Directors, as the case may be, it being understood that no equity award granted pursuant to any such written consent may have an effective date earlier than the date that all executed counterparts of such unanimous written consent are delivered to the General Counsel of the Company.

The grant-date fair value of our equity-based awards will be the closing sales price for a share of our common stock as reported on the New York Stock Exchange on the effective date of the grant as approved by the Compensation Committee or the Board of Directors, which date may not be prior to either the date such grant was approved or the commencement date of employment of the employee to whom the equity award is being made.

Subject to these policies and procedures, the Compensation Committee or the Board of Directors may approve grants of equity-based awards at any time. However, grants to employees may be effective only on a date within a trading window as defined by the Company's Policy Statement on Inside Information and Insider Trading, as amended from time to time (the Insider Trading Policy). For example, a grant approved by the Compensation Committee or the Board of Directors during a black-out period (as defined in such policy) will be effective on a date during the next trading window as determined by the Compensation Committee or the Board of Directors on the date such grant is approved.

Our insiders can only buy or sell Company stock in accordance with our Insider Trading Policy, and our employees generally can only buy or sell Company stock in accordance with our Statement of Policy Prohibiting Insider Trading to All Employees.

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NEOs are allowed to vote restricted stock and performance awards as a shareholder based on the number of shares held under restriction. Any dividends declared with respect to any restricted stock awards would be held until the awards vest, at which time the dividends would be paid to the NEOs. If restricted stock is forfeited, the NEO's rights to receive the dividends declared with respect to that stock would be forfeited as well. At present, the Company does not pay dividends and it has no current intention to do so in the future.

### **Clawback Policy**

The Company has adopted a clawback policy that permits the Company to seek to recover certain amounts of incentive compensation, including both cash and equity, awarded to any executive officer (as defined in the Exchange Act) on or after January 1, 2014 if payment of such compensation was based on the achievement of financial results that were subsequently the subject of a restatement of our financial statements due to misconduct, and if the executive officer engaged in improper conduct that materially contributed to the need for restatement, and a lower amount of incentive compensation would have been earned based on the restated financial results.

### **Stock Ownership and Retention Policy**

The Compensation Committee believes that the Company's Board of Directors and NEOs should maintain a material personal financial stake in the Company through the ownership of shares of the Company's common stock to promote a long-term perspective in managing the enterprise and to align shareholder, director and executive interests.

All NEOs are required to own shares of MEDNAX common stock with a value of not less than a specified multiple of their base salary. The policy also requires NEOs to retain 50% of net after-tax shares acquired during the year upon vesting (or exercise of stock options) unless his or her ownership level was satisfied as of the beginning of the year. These multiples were determined in accordance with current market practice. The chart below shows the base salary multiple ownership requirements and actual ownership levels as of December 31, 2013:

<b>Name</b>	<b>Ownership Requirement</b>	<b>Ownership Level as of December 31, 2013</b>
Dr. Medel	6x base salary	56.2x base salary
Mr. Calabro	4x base salary	13.1x base salary
Mr. Wagner	3x base salary	12.5x base salary
Ms. Lopez-Blanco	2x base salary	7.0x base salary
Dr. Stanley	2x base salary	3.6x base salary

As the table above reflects, our NEOs hold a significant investment in MEDNAX, which is a strong reflection of our culture and aligns with our compensation philosophy.

In addition, all non-management members of our Board of Directors are required to own MEDNAX common stock worth three times their annual base cash retainer fee.

Shares that count toward the ownership requirement are as follows:

Owned outright by the NEO or Director, or by spouse or dependent children;

Held in trust for economic benefit of the NEO or Director, or spouse or dependent children;

Held in the MEDNAX 401(k) plan or other Company-sponsored benefit plan;

Restricted shares/units for which the underlying performance conditions have been met and only remain subject to time-based vesting requirements or any restricted shares/units only subject to time-based vesting requirements.



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The Compensation Committee will evaluate NEO status annually and will review this policy from time to time and, following consultation with the Board of Directors, make modifications as necessary or appropriate.

### **Anti-Hedging and Anti-Pledging Policy**

All MEDNAX directors, management, financial and other insiders are prohibited from engaging in transactions in MEDNAX securities or derivatives of MEDNAX securities that might be considered hedging, such as selling short or buying or selling options. In addition it is against the policy for such persons to hold securities in margin accounts or pledge MEDNAX securities as collateral for a loan, unless such person clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities.

### **Retirement and Deferred Compensation Plans**

We maintain a Thrift and Profit Sharing Plan (the 401(k) Plan), which is a 401(k) plan, to enable eligible employees to save for retirement through a tax-advantaged combination of elective employee contributions and our matching contributions, and provide employees the opportunity to directly manage their retirement plan assets through a variety of investment options. The 401(k) Plan allows eligible employees to elect to contribute from 1% to 60% of their eligible compensation to an investment trust on a pre-tax and/or Roth after-tax basis, up to the maximum dollar amounts permitted by law. The 401(k) Plan also offers employees the option to voluntarily contribute additional funds on a non-deductible after-tax basis subject to certain limits. In 2013, the maximum employee pre-tax and/or Roth elective contribution to the 401(k) Plan was \$17,500, plus an additional \$5,500 for employees who were at least 50 years old in 2013. Eligible compensation generally means all wages, salaries and fees for services from the Company, up to a maximum specified amount as determined by the Company. Matching contributions under the 401(k) Plan are discretionary. For 2013, the Company matched 100% of the first 4% of eligible compensation that each eligible participant contributed to the 401(k) Plan on his or her behalf. The portion of an employee's account under the 401(k) Plan that is attributable to matching contributions vests as follows: 30% after one year of service, 60% after two years of service, and 100% after three years of service. However, regardless of the number of years of service, an employee is fully vested in our matching contributions (and the earnings thereon) if the employee retires at age 65 or later, or terminates employment by reason of death or total and permanent disability. The 401(k) Plan provides for a variety of different investment options, in which the employee's and the Company's contributions are invested.

Although the Company maintains a non-qualified deferred compensation plan, none of the NEOs participates in that Plan.

The amounts of the Company's matching contributions under the 401(k) Plan for 2013 for each of the NEOs is included in the "All Other Compensation" column of the Summary Compensation Table on page 34.

### **Benefits and Perquisites**

We provide our NEOs with certain benefits designed to protect them and their immediate families in the event of illness, disability, or death. We believe it is necessary to provide these benefits in order for us to be successful in attracting and retaining executives in a competitive marketplace, and to provide financial security in these circumstances. NEOs are eligible for health and welfare benefits available to similarly situated eligible Company employees during active employment under the same terms and conditions. These benefits include medical, dental, vision, short-term and long-term disability and group-term life insurance coverage.

Pursuant to the terms of their Employment Agreements, Dr. Medel and Messrs. Calabro and Wagner each are entitled to 38 days and Ms. Lopez-Blanco and Dr. Stanley are each entitled to 28 days paid time off each year for vacation, illness, injury, personal days and other similar purposes in accordance with our policies in effect from time to time. Any paid time off not used during a calendar year may be carried over to the next year to the extent permitted under those policies. Dr. Medel and Mr. Calabro each are entitled under their Employment

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Agreements to utilize, for personal travel, the aircraft that the Company leases. Dr. Medel's personal use of the aircraft may not exceed 95 hours of flight in any calendar year and Mr. Calabro's personal use of the aircraft may not exceed 50 hours of flight in any calendar year without the consent of the Compensation Committee. The incremental cost to the Company of these benefits for Dr. Medel and Mr. Calabro is included in the All Other Compensation column of the Summary Compensation Table on page 34.

The Compensation Committee has reviewed our perquisites expenditures, and believes they continue to be an important element of the overall compensation package to retain current officers, and in fact command a higher perceived value than the actual cost.

**Termination of Employment and Change in Control Agreements**

As described in greater detail below, the Employment Agreements between the Company and each of the NEOs provide for the payment of certain compensation and benefits in the event of the termination of an executive's employment, the amount of which varies depending upon the reason for such termination. The Compensation Committee has reviewed the essential terms of these termination provisions, and believes they are reasonable, appropriate, and generally consistent with market practice. Those provisions include a reimbursement by the Company to each of Messrs. Calabro and Wagner of any excise tax imposed upon the executive pursuant to Section 4999 of the Code with respect to any excess parachute payments, as that term is defined in Section 280G of the Code, that the executive receives as a result of a Change in Control. In the case of Dr. Medel, his current Employment Agreement provides that, if any amount payable to Dr. Medel in connection with a Change in Control would be subject to excise tax under Section 4999 of the Code, then the Company will reduce the payment to an amount equal to the largest portion of such payment that would result in no portion of such payment being subject to excise tax (unless such reduction would result in Dr. Medel receiving, on an after tax basis, an amount lower than the unreduced payment after taking into account all applicable federal, state and local employment taxes, income taxes and excise taxes, in which case the payment amount would not be reduced).

In certain situations pursuant to the terms of the award agreement or an executive's Employment Agreement, the service requirement may be waived and vesting accelerated. However, in no situations except those involving a change-in-control of MEDNAX will any shares vest unless the performance goal has first been achieved.

Additionally, any unvested restricted stock is generally forfeited upon termination of the employment of the NEOs. The Employment Agreements with our NEOs provide however, that their restricted stock may vest or continue to vest after termination of employment in certain circumstances. In the event of termination of Dr. Medel and Messrs. Calabro and Wagner by the Company without Cause (as defined in his Employment Agreement) or due to executive's Disability (as defined in his Employment Agreement) or by the executive for Good Reason (as defined in his Employment Agreement), due to the executive's health becoming impaired to any extent that makes the continued performance of his duties hazardous to the executive's physical or mental health or life ( Poor Health ) or due to death, all restricted stock granted prior to termination of employment will continue to vest until fully vested. Furthermore, in the event of a Change in Control (as defined in his Employment Agreement), for Dr. Medel and Messrs. Calabro and Wagner, all unvested restricted stock will automatically vest (although Dr. Medel's RSUs will vest in connection with a Change in Control only if his employment is terminated without Cause or for Good Reason within 24 months following the Change in Control). In the event that Ms. Lopez-Blanco's or Dr. Stanley's employment is terminated due to Disability or death, all unvested restricted stock granted to her or him by the Company will continue to vest until fully vested following the termination of her or his employment. In the event that Ms. Lopez-Blanco's or Dr. Stanley's termination date as a result of a Change in Control (as defined in her or his Employment Agreement) occurs within the 12-month period of a Change in Control, any unvested restricted stock will automatically vest.

**Table of Contents****Summary Compensation Table**

The following table sets forth the 2013, 2012 and 2011 compensation for our principal executive officer, principal financial officer, and our other named executive officers for the time they were deemed to be named executive officers.

Name and Principal Position	Year	Salary	Stock Awards(1)	Non-Equity Incentive Plan Compensation	All Other Compensation	Total Compensation
Roger J. Medel, M.D. Chief Executive Officer	2013	\$ 1,000,000	\$ 6,149,988	\$ 1,500,000	\$ 196,814(4)	\$ 8,846,802
	2012	\$ 1,000,000	\$ 6,150,005	\$ 1,689,947	\$ 159,963(4)	\$ 8,999,915
	2011	\$ 969,928(2)	\$ 9,699,995(3)	\$ 1,455,205	\$ 307,991(4)	\$ 12,433,119
Vivian Lopez-Blanco. Chief Financial Officer and Treasurer	2013	\$ 400,000	\$ 999,965	\$ 400,000	\$ 13,288(5)	\$ 1,813,253
	2012	\$ 375,000	\$ 750,005	\$ 422,487	\$ 13,381(5)	\$ 1,560,873
	2011	\$ 325,000	\$ 574,993	\$ 325,000	\$ 17,241(5)	\$ 1,242,234
Joseph M. Calabro President and Chief Operating Officer	2013	\$ 600,000	\$ 3,749,961	\$ 600,000	\$ 62,148(6)	\$ 5,012,109
	2012	\$ 600,000	\$ 3,750,025	\$ 675,979	\$ 131,143(6)	\$ 5,157,147
	2011	\$ 600,000	\$ 2,450,001	\$ 600,000	\$ 139,903(6)	\$ 3,789,904
Karl B. Wagner President, American Anesthesiology	2013	\$ 500,000	\$ 1,624,989	\$ 500,000	\$ 13,058(7)	\$ 2,638,047
	2012	\$ 500,000	\$ 1,625,011	\$ 563,316	\$ 12,991(7)	\$ 2,701,318
	2011	\$ 500,000	\$ 1,624,983	\$ 500,000	\$ 35,461(7)	\$ 2,660,444
Michael D. Stanley, M.D. President, Pediatrix Medical Group	2013	\$ 450,000	\$ 812,541	\$ 337,500	\$ 13,112(9)	\$ 1,613,153
	2012	\$ 446,548(8)	\$ 712,499	\$ 380,228	\$ 15,979(9)	\$ 1,555,254

- (1) Stock awards consist of time-based restricted stock with a performance goal and in the case of Dr. Medel, performance-based deferred stock awards. The amounts in this column reflect the grant-date fair value of the restricted and deferred stock awards, calculated in accordance with the accounting guidance for stock-based compensation, but excluding the impact of estimated forfeitures. See the Grants of Plan-Based Awards in 2013 table for information on restricted stock awards granted in 2013. For information regarding the assumptions made in calculating the amounts reflected in this column, see Note 13, "Stock Incentive Plans and Stock Purchase Plan," to our Consolidated Financial Statements included in our 2013 Annual Report to Shareholders.
- (2) The salary amount provided in the Summary Compensation Table represents actual paid salary for 2011. Dr. Medel received an increase in base salary effective August 7, 2011.
- (3) Reflects restricted stock granted in 2011 as part of the annual equity award valued at \$4,099,965 and a special, one-time deferred stock award valued at a total of \$5,600,030, which was awarded in connection with Dr. Medel's 2011 Employment Agreement. The deferred stock award is subject to performance-based vesting.
- (4) Reflects incremental costs in 2013, 2012 and 2011 of \$183,874, \$146,264 and \$296,295, respectively, for Dr. Medel's personal use of an aircraft, which MEDNAX leases, in accordance with his Employment Agreement, additional compensation in 2013, 2012 and 2011 of \$10,200, \$10,000, and \$9,800 for 401(k) thrift and profit sharing matching contributions, and costs incurred by MEDNAX of \$179, \$218 and \$277, respectively, for term life insurance coverage. Also includes costs incurred by MEDNAX in 2013, 2012 and 2011 for spousal travel to and entertainment (recreational activities) at MEDNAX's annual board retreats which do not exceed the greater of \$25,000 or 10% of the total amount of perquisites and personal benefits received in any year.
- (5) Reflects additional compensation of \$10,200, \$10,000 and \$9,800 for 401(k) thrift and profit sharing matching contributions in 2013, 2012 and 2011 and other compensation of \$275, \$336 and \$335, respectively, for term life insurance coverage in 2013, 2012 and 2011. Also includes costs incurred by MEDNAX in 2013, 2012 and 2011 for spousal travel to and entertainment (recreational activities) at MEDNAX's annual board retreat which does not exceed the greater of \$25,000 or 10% of the total amount of perquisites and personal benefits received in any year.
- (6) Reflects incremental costs in 2013, 2012 and 2011 of \$51,673, \$120,807 and \$129,767, respectively, for Mr. Calabro's personal use of an aircraft, which MEDNAX leases, in accordance with his Employment Agreement, additional compensation in 2013, 2012 and 2011 of \$10,200, \$10,000 and \$9,800 for 401(k) thrift and profit sharing matching contributions, and costs incurred by MEDNAX in 2013, 2012 and 2011 of \$275, \$336 and \$336, respectively, for term life insurance coverage.

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- (7) Reflects incremental costs 2011 of \$15,743 for Mr. Wagner's share of personal travel on an aircraft, which MEDNAX leases, which use of such aircraft occurred during travel with either Dr. Medel or Mr. Calabro under the terms of each executive's Employment Agreement, additional compensation in 2013, 2012 and 2011 of \$10,200, \$10,000 and \$9,800 for 401(k) thrift and profit sharing matching contributions and \$275, \$336, and \$336, respectively, for term life insurance coverage. Also includes costs incurred by MEDNAX in 2013, 2012 and 2011 for spousal travel to and entertainment (recreational activities) at MEDNAX's annual board retreat which does not exceed the greater of \$25,000 or 10% of the total amount of perquisites and personal benefits received in any year.
- (8) The salary amount provided in the Summary Compensation Table represents actual paid salary for 2012. Dr. Stanley became a named executive officer in 2012 and received an increase in base salary effective February 13, 2012.
- (9) Reflects incremental costs in 2012 of \$3,240 for Dr. Stanley's share of personal travel on an aircraft, which MEDNAX leases, which use of such aircraft occurred during travel with either Dr. Medel or Mr. Calabro under the terms of each executive's Employment Agreement, additional compensation in 2013 and 2012 of \$10,200 and \$10,000, respectively for 401(k) thrift and profit sharing matching contributions and \$179 and \$218, respectively, for term life insurance coverage. Also includes costs incurred by MEDNAX in 2013 and 2012 for spousal travel to and entertainment (recreational activities) at MEDNAX's annual board retreat which does not exceed the greater of \$25,000 or 10% of the total amount of perquisites and personal benefits received in any year.

**Table of Contents****Grants of Plan-Based Awards in 2013**

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards(1)			Estimated Future Payouts Under Equity Incentive Plan Awards (Shares)	Grant-Date Fair Value of Stock Awards(3)
		Threshold	Target	Maximum		
Roger J. Medel, M.D.	6/1/13	\$ 0	\$ 1,500,000	\$ 3,000,000	132,500(2)	\$ 6,149,988
Vivian Lopez-Blanco	6/1/13	\$ 0	\$ 400,000	\$ 800,000	21,544(2)	\$ 999,965
Joseph M. Calabro	6/1/13	\$ 0	\$ 600,000	\$ 1,200,000	80,792(2)	\$ 3,749,961
Karl B. Wagner	6/1/13	\$ 0	\$ 500,000	\$ 1,000,000	35,010(2)	\$ 1,624,989
Michael D. Stanley, M.D.	6/1/13	\$ 0	\$ 337,500	\$ 675,000	17,506(2)	\$ 812,541

- (1) These columns reflect the range of payouts for 2013 annual cash bonuses under the MEDNAX, Inc. Amended and Restated 2008 Incentive Compensation Plan, as amended. Amounts actually earned in 2013 are reported as Non-Equity Incentive Plan Compensation in the Summary Compensation Table. For a more detailed description of the annual cash awards, see Annual Bonuses in the section entitled Executive Compensation: Compensation Discussion and Analysis.
- (2) Represents restricted stock awards granted under the MEDNAX, Inc. Amended and Restated 2008 Incentive Compensation Plan, as amended. The restricted stock awards for all of the named executive officers vest as follows: if the Company's income from operations, as determined in accordance with GAAP, for the twelve months ended March 31, 2014, equals or exceeds \$425,000,000, then each of the named executive officers' restricted shares will vest in three equal increments on June 1, 2014, ( Increment 1 ), June 1, 2015 ( Increment 2 ) and June 1, 2016 ( Increment 3 ). If, however, income from operations does not equal or exceed \$425,000,000 for that period, then Increment 1 will vest on the later of June 1, 2014, or the date that is two weeks after the date on which the Company's income from operations, as determined in accordance with GAAP, for any 12 consecutive month period commencing on or after May 1, 2013, equals or exceeds \$425,000,000 (the Income Date ), Increment 2 will vest on June 1, 2015, and Increment 3 will vest on June 1, 2016; provided, however, that if the Income Date has not occurred by April 14, 2015, then the restricted shares shall terminate and become null and void. For a more detailed description of our equity-based award and restricted stock granting policies, see Equity Grant Practices in the section entitled Executive Compensation: Compensation Discussion and Analysis.
- (3) The grant-date fair value of the restricted stock awards is determined pursuant to the accounting guidance for stock-based compensation and represents the total amount that we will expense in our financial statements over the relevant vesting periods. For information regarding the assumptions made in calculating the amounts reflected in this column, see Note 13, Stock Incentive Plans and Stock Purchase Plan, to our Consolidated Financial Statements included in our 2013 Annual Report to Shareholders.



**Table of Contents****Outstanding Equity Awards at 2013 Fiscal Year-End**

Name	Option Awards			Stock Awards	
	Number of Securities Underlying Options Exercisable	Option Exercise Price	Option Expiration Date	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Rights That Have Not Yet Vested	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Yet Vested(1)
Roger J. Medel, M.D.	125,000(2)	\$ 22.35	06/01/2016	37,530(6)	\$ 2,003,351
	100,000(3)	\$ 28.03	08/10/2017	136,644(7)	\$ 7,294,057
	250,000(4)	\$ 27.72	06/02/2018	87,160(8)	\$ 4,652,601
				132,500(9)	\$ 7,072,850
Vivian Lopez-Blanco	40,000(5)	\$ 25.14	05/27/2018	5,264(6)	\$ 280,992
				16,664(7)	\$ 889,524
				21,544(9)	\$ 1,150,019
Joseph M. Calabro	62,500(2)	\$ 22.35	06/01/2016	22,426(6)	\$ 1,197,100
	75,000(3)	\$ 28.03	08/10/2017	83,320(7)	\$ 4,447,622
	150,000(4)	\$ 27.72	06/02/2018	80,792(9)	\$ 4,312,677
Karl B. Wagner	43,274(2)	\$ 22.35	06/01/2016	14,874(6)	\$ 793,974
	56,250(3)	\$ 28.03	08/10/2017	36,104(7)	\$ 1,927,232
	100,000(4)	\$ 27.72	06/02/2018	35,010(9)	\$ 1,868,834
Michael D. Stanley, M.D.				4,256(6)	\$ 227,185
				15,830(7)	\$ 845,005
				17,506(9)	\$ 934,470

- (1) Based on a stock price of \$53.38, which was the closing price of a share of our common stock on the New York Stock Exchange on December 31, 2013.
- (2) These stock options vested in three equal installments on each of June 1, 2007, June 1, 2008 and June 1, 2009.
- (3) These stock options vested in three equal installments on each of June 1, 2008, June 1, 2009 and June 1, 2010.
- (4) These stock options vested in three equal installments on each of June 1, 2009, June 1, 2010 and June 1, 2011.
- (5) These stock options vested in three equal installments on May 27, 2010, May 27, 2011 and May 27, 2012.
- (6) These restricted stock awards vest on June 1, 2014.
- (7) These restricted stock awards vest in two equal installments on each of June 1, 2014 and June 1, 2015.
- (8) These deferred stock awards vest in increments of 25 percent if the Company achieves specified levels of annualized income from operations (on a trailing four quarters basis), as determined in accordance with GAAP, as follows: \$475 million and \$525 million; provided, however that if the Company's income from operations goals are not achieved as of the year ending December 31, 2018, any unvested deferred stock awards shall terminate and become null and void.
- (9) These restricted stock awards vest as follows: if the Company's income from operations, as determined in accordance with GAAP, for the twelve months ended March 31, 2014, equals or exceeds \$425,000,000, then each of the named executive officers' restricted shares will vest in three equal increments on June 1, 2014, ( Increment 1 ), June 1, 2015 ( Increment 2 ) and June 1, 2016 ( Increment 3 ). If, however, income from operations does not equal or exceed \$425,000,000 for that period, then Increment 1 will vest on the later of June 1, 2014, or the date that is two weeks after the date on which the Company's income from operations, as determined in accordance with GAAP, for any 12 consecutive month period commencing on or after May 1, 2013, equals or exceeds \$425,000,000 (the Income Date ), Increment 2 will vest on June 1, 2015, and Increment 3 will vest on June 1, 2016; provided, however, that if the Income Date has not occurred by April 14, 2015, then the restricted shares shall terminate and become null and void.



**Table of Contents****Options Exercised and Stock Vested in Fiscal Year 2013**

Name	Option Awards		Stock Awards (1)		Deferred Stock Awards (1)	
	Number of Shares Acquired Upon Exercise	Value Realized on Exercise(2)	Number of Shares Acquired Upon Vesting	Value of Shares Acquired Upon Vesting(3)	Number of Shares Acquired Upon Vesting	Value of Shares Acquired Upon Vesting(3)
Roger J. Medel, M.D.	544,096	\$ 20,978,438	155,586	\$ 7,221,524	287,160	\$ 13,964,112
Vivian Lopez-Blanco			19,234	\$ 892,746		
Joseph M. Calabro			93,804	\$ 4,353,913		
Karl B. Wagner	3,600	\$ 113,226	52,640	\$ 2,443,286		
Michael D. Stanley, M.D.			17,812	\$ 826,744		

- (1) These columns reflect restricted stock and deferred stock awards previously awarded to the named executive officer that vested during 2013.
- (2) Calculated based on the sales price received by the named executive officer upon the sale of the shares of MEDNAX common stock acquired upon the exercise of such stock options less the exercise price of such options.
- (3) Calculated based on the closing price of a share of our common stock on the New York Stock Exchange on the vesting date.

**Potential Payments upon Termination or Change in Control**

In August 2011, the Company entered into a new Employment Agreement with Dr. Medel that replaced his previous Employment Agreement entered into in August 2008. In August 2008, the Company entered into Employment Agreements with each of Messrs. Calabro and Wagner. The Company entered into an Employment Agreement with Ms. Lopez-Blanco in 2010. In addition, the Company entered into an Employment Agreement with Dr. Stanley in 2012. Each of these Employment Agreements provides for the Company to make certain payments and provide certain benefits to the executive upon termination of employment with the Company. Those provisions are summarized below.

*Termination by Company for Cause.* In the event that an executive's employment with the Company is terminated by the Company for Cause, then the Company will pay the executive his or her base salary through the termination date at the rate in effect at the termination date and reimburse the executive for any reasonable business expenses incurred through the date of termination.

The term "Cause" is defined in each of the Employment Agreements for Dr. Medel and Messrs. Calabro and Wagner to mean the executive's (i) engagement in (A) willful misconduct resulting in material harm to the Company, or (B) gross negligence; (ii) conviction of, or pleading *nolo contendere* to, a felony or any other crime involving fraud, financial misconduct, or misappropriation of the Company's assets; (iii) willful and continual failure, after written notice, to (A) perform substantially his employment duties consistent with his position and authority, or (B) follow, consistent with his position, duties, and authorities, the reasonable lawful mandates of his supervisor; or (iv) breach of the requirements of his employment agreement with respect to the Company's confidential information. For purposes of this definition, acts or omissions taken by the executive in a good faith belief that they were in the best interests of the Company or if done at the express direction of the Company's Board of Directors will not be deemed willful or grossly negligent. In each of the Employment Agreements for Ms. Lopez-Blanco and Dr. Stanley, the term "Cause" is defined to mean (i) any act or omission of the executive which is materially contrary to the business interests, reputation or goodwill of the Company; (ii) a material breach by the executive of his or her obligations under the Employment Agreement, which breach is not promptly remedied upon written notice from the Company; (iii) the executive's refusal to perform his or her duties as assigned pursuant to the Employment Agreement other than a refusal which is remedied by the executive promptly after receipt of written notice thereof by the Company; or (iv) the executive's failure or refusal to comply with a reasonable policy, standard or regulation of the Company in any material respect.

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*Termination by Executive due to Poor Health or due to Executive's Death.* In the event that an executive terminates his or her employment because of Poor Health or the executive's employment terminates because of his or her death, then the Company will pay to the executive (or his or her estate) his or her base salary to the termination date, pay the executive a pro rata portion of the bonus that the executive would have received had his or her employment not terminated (as determined in accordance with the Employment Agreement) and reimburse the executive for any reasonable business expenses incurred through the date of termination. In addition, if the executive terminates his or her employment due to Poor Health, the executive will receive any disability payments otherwise payable under any plans provided by the Company.

*Termination due to Disability.* If the Company terminates the employment of Dr. Medel, Messrs. Calabro or Wagner by reason of his Disability, then the Company will continue to pay Dr. Medel and Messrs. Calabro or Wagner base salary for a period of 12 months after the termination date and the actual performance bonus, on a pro rata basis, that would have been payable to the executive for the fiscal year if the executive had not been terminated. If the Company terminates the employment of Ms. Lopez-Blanco or Dr. Stanley by reason of his or her Disability, the Company will pay the executive 50% of his or her base salary for a period of six months after the termination date and the actual performance bonus, on a pro rata basis, that would have been payable to the executive for the fiscal year if he or she had not been terminated.

*Termination by Company without Cause or by Executive for Good Reason or due to Change in Control.* If the Company terminates the employment of Dr. Medel, Messrs. Calabro or Wagner without Cause (which requires not less than 90 days' notice), or Messrs. Calabro or Wagner terminates his employment for any reason within one year after a Change in Control, the Company terminates the employment of Messrs. Calabro or Wagner within 24 months following a Change in Control, or Dr. Medel, Messrs. Calabro or Wagner terminates his employment for Good Reason, then the Company will (a) pay that executive's base salary through the termination date plus any reimbursement owed to that executive for any reasonable business expenses incurred through the date of termination, (b) continue to pay the executive's base salary for a period of 24 months after the termination date, (c) on the first and second anniversaries of the termination date, pay the executive an amount equal to the greater of his average annual performance bonus or his bonus for the year immediately preceding his termination and (d) pay the executive a pro rata portion of the bonus he would have received for the year in which his employment terminates. If the termination is due to a Change in Control, then the performance bonuses referred to in (c) above would be paid to the executive in a lump sum within 90 days of the termination date. If the Company terminates the employment of Dr. Medel without Cause or Dr. Medel terminates his employment for Good Reason in either case within 24 months following a Change in Control, the Company will pay his base salary through the termination date plus any reimbursement owed to him for any reasonable business expenses incurred through the date of termination and continue to pay Dr. Medel's base salary for 36 months after the termination date and, within 90 days following such termination date, an amount equal to three times the greater of his average annual performance bonus or his bonus for the year immediately preceding his termination. For this purpose, average annual performance bonus means the average of the executive's earned performance bonus as a percentage of base salary for the three years preceding such termination date, multiplied by the executive's base salary at the time of termination. If Ms. Lopez-Blanco or Dr. Stanley terminates his or her employment for Good Reason (other than, in the case of Ms. Lopez-Blanco, a Change in Control Good Reason, as defined below), then the Company will (a) pay him or her base salary through the termination date plus any reimbursement owed to him or her for any reasonable business expenses incurred through the date of termination, (b) continue to pay him or her base salary for a period of six months (12 months if termination is in connection with a Change in Control) after the termination date, and (c) pay him or her a pro rata portion of the performance bonus he or she would have received for the year in which his or her employment terminates, subject to reduction in order to avoid such payments being deemed excess parachute payments, as that term is defined in Section 280G of the Code. If Ms. Lopez-Blanco terminates her employment for a Change in Control Good Reason, then the Company will pay her the performance bonus she would have received for the year in which her employment terminates as if she had worked for the entire fiscal year and met all goals and objectives of such year. If the Company terminates the employment of Ms. Lopez-Blanco or Dr. Stanley without Cause, then the Company will (a) pay his or her base salary through the termination date plus any reimbursement owed

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to him or her for any reasonable business expenses incurred through the date of termination, (b) continue to pay his or her base salary for a period of 12 months after the termination date, (c) pay him or her a pro rata portion of the performance bonus he or she would have received for the year in which his or her employment terminates, and (d) within 30 days of the first anniversary of the termination date, pay him or her an amount equal to his or her average annual performance bonus. For this purpose, average annual performance bonus means (i) the average of the performance bonuses paid to the executive in his or her current position for the three full calendar years prior to the termination date or (ii) in the event that a three year average cannot be determined, the executive's bonus in his or her current position for the year immediately preceding his or her termination. For purposes of this definition, Good Reason will not be deemed to exist unless the executive provides the Company with written notice of the existence of such condition within 90 days after the initial existence of the condition and the Company fails to remedy the condition within 30 days after its receipt of such notice.

The Employment Agreement for each of Dr. Medel and Messrs. Calabro and Wagner defines Good Reason to mean (i) a material diminution in the executive's base salary or performance bonus eligibility; (ii) a material diminution in the executive's authority, duties, or responsibilities; (iii) a material diminution in the authority, duties or responsibilities of the supervisor to whom the executive is required to report, including, in the case of the Chief Executive Officer, a requirement that Dr. Medel report to a corporate officer or employee instead of reporting directly to the Board of Directors of the Company; (iv) a material diminution in the budget over which the executive retains authority; (v) a material change in the geographic location at which the executive must perform the services under his Employment Agreement; or (vi) any other action or inaction that constitutes a material breach by the Company under his Employment Agreement. The Employment Agreement for each of Ms. Lopez-Blanco and Dr. Stanley defines Good Reason to mean (i) a decrease in the executive's base salary; (ii) a decrease in the performance bonus potential utilized by the Company in determining a performance bonus for the executive; (iii) within a one year period after a Change in Control, the executive is either (a) assigned any position, duties, responsibilities or compensation that are significantly diminished when compared with his or her position, duties, responsibilities or compensation prior to such Change in Control, or (b) forced to relocate to another location more than 25 miles from the Company's location prior to the Change in Control (each of (iii)(a) and (b) a Change in Control Good Reason); (iv) the assignment to the executive of any officer position inconsistent with his or her present position other than any isolated, insubstantial and inadvertent action not taken in bad faith and which is remedied by the Company promptly after receipt of written notice; (v) the requirement by the Company that the executive be based in any office or location outside of the metropolitan area where the Company's present corporate offices are located, except for travel reasonably required in the performance of the executive's duties; (vi) (in the case of Ms. Lopez-Blanco), a material diminution in Ms. Lopez-Blanco's authority, duties or responsibilities; or (vii) (in the case of Ms. Lopez-Blanco), any other action or inaction that constitutes a material breach by the Company under Ms. Lopez-Blanco's Employment Agreement.

The term Change in Control is defined in each executive's Employment Agreement to mean (i) the acquisition by a person or an entity or a group of persons and entities, directly or indirectly, of more than 50% of the Company's common stock in a single transaction or a series of transactions (hereinafter referred to as a 50% Change in Control); (ii) a merger or other form of corporate reorganization resulting in an actual or *de facto* 50% Change in Control; or (iii) the failure of Applicable Directors to constitute a majority of the Company's Board of Directors during any two (2) consecutive year period after the date of each of the executive's Employment Agreement (the Two-Year Period). Applicable Directors means those individuals who are members of the Company's Board of Directors at the inception of the Two-Year Period and any new Director whose election to the Board of Directors or nomination for election to the Board of Directors was approved (prior to any vote thereon by the shareholders) by a vote of at least two-thirds of the Directors then still in office who either were Directors at the beginning of the Two-Year Period at issue or whose election or nomination for election during such Two-Year Period was previously approved as provided in this sentence.

*Termination by Executive.* An executive may terminate his or her employment, other than for Good Reason or due to a Change in Control, upon 90 days' notice to the Company, or in the case of Dr. Stanley, upon 45 days' notice. In such event, the Company will continue to pay the executive his or her base salary through the

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termination date, and in the case of Dr. Medel and Messrs. Calabro and Wagner, if in connection with such termination the executive gives sufficient notice and executes a general release of the Company, then the Company will pay the executive a pro rata portion of the bonus that the executive would have received had his employment not terminated (as determined in accordance with his Employment Agreement). In addition, the Company will reimburse each executive for any reasonable business expenses incurred through the date of termination. If the Company specifies a termination date for the employment of Dr. Medel, Messrs. Calabro or Wagner or Ms. Lopez-Blanco that is less than 90 days (45 days in the case of Dr. Stanley), as applicable after the Company's receipt of written notice of such termination from the executive, then the Company will continue to pay to the executive his or her base salary for a period ending on such 90<sup>th</sup> day (45<sup>th</sup> day in the case of Dr. Stanley).

*Employment Transition and Severance Agreement.* If the Company so requests within five business days following a termination of the employment of Dr. Medel, Messrs. Calabro or Wagner by reason of the executive's Disability, termination by the Company without Cause, termination by the executive due to Poor Health, or termination by the executive for Good Reason, then the executive will continue to be employed by the Company on a part-time basis for a period (the transition period) to be determined by the Company of up to 90 days, unless extended by mutual agreement. During this transition period, the executive is required to perform such services as may reasonably be required for the transition to others of matters previously within the executive's responsibilities. Unless otherwise mutually agreed, the executive will not be required to serve more than five days per month during the transition period. For services during the transition period, the executive will be compensated at a daily rate equal to his base salary immediately prior to the termination of his employment divided by 365.

*Continuation of Group Health Coverage.* The Employment Agreement for each of Dr. Medel and Messrs. Calabro and Wagner also provides for the continuation in any self-insured, group health plan sponsored by the Company as if the executive were still an employee of the Company during any severance period or transition period. For this purpose, severance period means the period after the termination date during which the executive continues to receive base salary payments following the termination of employment as described above. In addition, upon termination of the executive's employment for any reason (in the case of Dr. Medel or, in the case of the other executives for any reason other than Cause) and only if the executive and his eligible dependents first irrevocably decline any continuation coverage provided pursuant to the applicable provisions in the Employee Retirement Income Security Act of 1974, the executive and his eligible dependents will be entitled to elect to continue in any self-insured, group health plan sponsored by the Company as if the executive were still an employee of the Company (the Enhanced Coverage), during a period of five years following the later of the termination date, the end of the severance period or the end of the transition period. In its sole discretion, the Company may provide healthcare insurance to the executive and his eligible dependents through one or several insurance carriers selected by the Company in lieu of the Enhanced Coverage (the Alternate Enhanced Coverage), provided the coverage is substantially comparable. The executive will pay the full cost of the Enhanced Coverage or the cost of the Alternate Enhanced Coverage, up to the cost of the plan for such period of coverage for similarly situated employees and covered beneficiaries.

*Payments in the Event of a Change in Control.* The Employment Agreement for each of Messrs. Calabro and Wagner requires the Company to increase or gross-up any amounts payable to an executive that are contingent upon a Change in Control by an amount that will reimburse the executive, on an after-tax basis, for any excise tax imposed under Section 4999 of the Code, on any amounts that are deemed to be excess parachute payments, and for any interest or penalties incurred by an executive with respect to any such excise tax.

*Vesting of Equity Awards.* The Employment Agreement for each of Dr. Medel and Messrs. Calabro and Wagner provides that all unvested stock options, stock appreciation rights, restricted stock and other stock based awards granted to an executive by the Company (other than Dr. Medel's Deferred Grants) will continue to vest until fully vested following the termination of an executive's employment due to Disability, termination without Cause, Good Reason, Poor Health or death. In addition, in the event of a Change in Control, for each of

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Dr. Medel and Messrs. Calabro and Wagner, such awards will automatically vest and, in the case of stock options and stock appreciation rights, become immediately exercisable. In the event Ms. Lopez-Blanco's or Dr. Stanley's employment is terminated due to Disability or death, all unvested stock options, stock appreciation rights, restricted stock and other stock based awards granted to her by the Company will continue to vest until fully vested following the termination of her employment. Further, in the event Ms. Lopez-Blanco's or Dr. Stanley's termination date as a result of a Change in Control occurs within the 12 month period of a Change in Control, any unvested stock options, unvested restricted stock and, in the case of Ms. Lopez-Blanco, any unvested stock appreciation rights and other unvested incentive compensation awards, held by the executive on the termination date will automatically vest and, in the case of stock options, become immediately exercisable. In the case of Dr. Medel's Deferred Grants received in 2008, however, they will continue to vest in accordance with their terms if Dr. Medel's employment is terminated by him for Good Reason. If Dr. Medel incurs a Disability or if his employment is terminated due to death, or, because the performance vesting threshold with respect to the Deferred Grants has been met, if Dr. Medel's employment is terminated by the Company without Cause, then the Deferred Grants will vest immediately. The Deferred Grants will also continue to vest in accordance with their terms if Dr. Medel's employment is terminated due to a Change in Control, provided, that if he terminates his employment within one year after such Change in Control, then the Deferred Grants will vest on such termination. In the case of Dr. Medel's RSUs received in connection with his current Employment Agreement in 2011, the RSUs will continue to vest in accordance with their terms if Dr. Medel's employment is terminated by him for Good Reason or if Dr. Medel's employment is terminated due to Disability, death, Poor Health or without Cause. If Dr. Medel's employment is terminated by the Company without Cause or by Dr. Medel for Good Reason, in each case within 24 months following a Change in Control, then the RSUs will automatically vest in full upon the date such termination is effective.

*Payments of Unused Leave Time.* In accordance with the Company's paid time off policies, an executive officer will be paid any earned but unused paid time off upon termination. This payment will occur in all termination events. In addition to the leave time that the executive accrues in any year, such executive may carry forward fifteen days of leave time from the prior year; therefore, the maximum payout upon termination for each executive would be the value of such executive's contracted annual leave time plus fifteen carry-over days.

*Restrictive Covenants.* Pursuant to his or her Employment Agreement, each executive officer is subject to certain restrictive covenants that survive termination of employment. If the executive fails to comply with any of those restrictive covenants, he or she will not be entitled to receive any further payments or benefits as a result of the termination of his or her employment (other than his or her base salary through the date of termination and reimbursement of any reasonable business expenses incurred through the date of termination). In addition, the Company then will have the right to terminate without advance notice any future payments and benefits of every kind that otherwise would be due to the executive on account of his or her termination of employment.

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The following tables illustrate the payments and benefits that each of Drs. Medel and Stanley, Messrs. Calabro and Wagner and Ms. Lopez-Blanco would have received under his or her Employment Agreement if his or her employment with the Company had terminated for any of the reasons described above on December 31, 2013. The amounts presented in the tables, reflect compensation (including equity ownership) at such year end, are estimates only and do not necessarily reflect the actual value of the payments and other benefits that would be received by the named executive officers, which would only be known at the time that employment actually terminates.

Executive	Compensation Components	Change in Control	TRIGGERING EVENT						By Executive Due to Poor Health or Due to Executive's Death
			By Executive without Good Reason	By Company for Cause	By Company without Cause	By Executive for Good Reason	By Company by Reason of Executive's Disability	By the Company	
Roger J. Medel, M.D.	Cash Severance(1)	\$ 8,069,841	\$ 1,500,000	\$ (5)	\$ 6,879,894	\$ 6,879,894	\$ 2,500,000	\$ 1,500,000	
	Long-term Incentives(6)	21,022,859			21,022,859	21,022,859	21,022,859	21,022,859	
	Other Compensation(7)	198,000	198,000	198,000	198,000	198,000	198,000	198,000	
	<b>Total Benefit to Employee</b>	<b>\$ 29,290,700</b>	<b>\$ 1,698,000</b>	<b>\$ 198,000</b>	<b>\$ 28,100,753</b>	<b>\$ 28,100,753</b>	<b>\$ 23,720,859</b>	<b>\$ 22,720,859</b>	
Vivian Lopez-Blanco	Cash Severance(2)	\$ 775,000	\$	\$ (5)	\$ 1,164,000	\$ 587,500	\$ 587,500	\$ 400,000	
	Long-term Incentives(8)	2,320,535					2,320,535	2,320,535	
	<b>Total Benefit to Employee</b>	<b>\$ 3,095,535</b>	<b>\$</b>	<b>\$</b>	<b>\$ 1,164,000</b>	<b>\$ 587,500</b>	<b>\$ 2,908,035</b>	<b>\$ 2,720,535</b>	
Joseph M. Calabro	Cash Severance(2)	\$ 3,151,958	\$ 600,000	\$ (5)	\$ 3,151,958	\$ 3,151,958	\$ 1,200,000	\$ 600,000	
	Long-term Incentives(3)	9,957,399			9,957,399	9,957,399	9,957,399	9,957,399	
	Section 280G Gross-up(4)								
	<b>Total Benefit to Employee</b>	<b>\$ 13,109,357</b>	<b>\$ 600,000</b>	<b>\$</b>	<b>\$ 13,109,357</b>	<b>\$ 13,109,357</b>	<b>\$ 11,157,399</b>	<b>\$ 10,557,399</b>	
Karl B. Wagner	Cash Severance(2)	\$ 2,626,632	\$ 500,000	\$ (5)	\$ 2,626,632	\$ 2,626,632	\$ 1,000,000	\$ 500,000	
	Long-term Incentives(3)	4,590,040			4,590,040	4,590,040	4,590,040	4,590,040	
	Section 280G Gross-up(4)								
<b>Total Benefit to Employee</b>	<b>\$ 7,216,672</b>	<b>\$ 500,000</b>	<b>\$</b>	<b>\$ 7,216,672</b>	<b>\$ 7,216,672</b>	<b>\$ 5,590,040</b>	<b>\$ 5,090,040</b>		
Michael D. Stanley, M.D.	Cash Severance(2)	\$ 787,500	\$	\$ (5)	\$ 1,167,728	\$ 562,500	\$ 562,500	\$ 337,500	
	Long-term Incentives(8)	2,006,661					2,006,661	2,006,661	
	<b>Total Benefit to Employee</b>	<b>\$ 2,794,161</b>	<b>\$</b>	<b>\$</b>	<b>\$ 1,167,728</b>	<b>\$ 562,500</b>	<b>\$ 2,569,161</b>	<b>\$ 2,344,161</b>	

- (1) Cash severance includes: (i) in the case of a termination by the executive without Good Reason, base salary through the date of termination, the actual performance bonus, on a pro rata basis, that would have been payable to executive for the fiscal year, as set forth in the Summary Compensation Table, if executive had not been terminated so long as executive gives sufficient notice and executes a general release of Company and a reimbursement for any reasonable business expenses incurred through the date of termination, (ii) in the case of termination by the Company without Cause or by the executive for Good Reason, (a) continuation of base salary through the termination date, plus any reimbursement owed to the executive for any reasonable business expenses incurred through the date of termination, (b) continuation of base salary for 24 months after the termination date, (c) on the first and second anniversaries of the termination date, the greater of the executive's average annual performance bonus (as defined in the executive's Employment Agreement) or his prior year's bonus (this amount is paid as a lump sum within 90 days of the termination date if the termination is in connection with a Change in Control) and (d) the actual performance bonus, on a pro rata basis, that would have been payable to executive for the fiscal year if executive had not been terminated, (iii) in the case of termination by the Company without Cause or Dr. Medel for Good Reason, in either case within 24 months following a Change in Control: (a) continuation of base salary through the termination date, plus any reimbursement owed to the executive for any reasonable business expenses incurred through the date of termination, (b) continuation of base salary for 36 months after the termination date, (c) within 90 days following such termination, an amount equal to three times the greater of the executive's average annual performance bonus (as defined in the executive's Employment Agreement) or his prior year's bonus, and (iv) in the case of termination by the Company on account of the executive's Disability, continuation of base salary for a period of 12 months after the termination date and the actual performance bonus, on a pro rata basis, that would have been payable to executive for the fiscal year if executive had not been terminated, and (v) in the case of termination by the executive due to executive's Poor Health or Death, the executive's base salary through the termination date, the actual performance bonus, on a pro rata basis, that would have been payable to executive for the fiscal year if executive had not been terminated and a reimbursement for any reasonable business expenses incurred through the date of termination.
- (2) Cash severance includes: (i) in the case of a termination by the executive without Good Reason, base salary through the date of termination, the actual performance bonus, on a pro rata basis, that would have been payable to executive for the fiscal year, as set forth in the Summary Compensation Table (except in the case of Ms. Lopez-Blanco or Dr. Stanley), if executive had not been terminated so long as executive gives sufficient notice and executes a general release of Company and a reimbursement for any reasonable business expenses incurred through the date of termination, (ii) in the case of termination



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by the Company without Cause or by the executive for Good Reason or due to Change in Control (except in the case of Ms. Lopez-Blanco or Dr. Stanley), (a) continuation of base salary through the termination date, plus any reimbursement owed to the executive for any reasonable business expenses incurred through the date of termination, (b) (except in the case of Ms. Lopez-Blanco or Dr. Stanley) continuation of base salary for 24 months after the termination date, (c) (except in the case of Ms. Lopez-Blanco or Dr. Stanley) on the first and second anniversaries of the termination date, the greater of the executive's average annual performance bonus (as defined in the executive's Employment Agreement) or his prior year's bonus (this amount is paid as a lump sum within 90 days of the

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- termination date if the termination is in connection with a Change in Control) and (d) the actual performance bonus, on a pro rata basis, that would have been payable to executive for the fiscal year if executive had not been terminated, (iii)(a) in the case of termination of Ms. Lopez-Blanco or Dr. Stanley by the Company without Cause or by Ms. Lopez-Blanco or Dr. Stanley for Good Reason (other than a Change in Control Good Reason, as defined above):
- (1) continuation of base salary through the termination date, plus any reimbursement owed to Ms. Lopez-Blanco or Dr. Stanley for any reasonable business expenses incurred through the date of termination, (2) continuation of base salary for 12 months after the termination date (six months if terminated for Good Reason other than in connection with a Change in Control), (3) the actual performance bonus, on a pro rata basis, that would have been payable to Ms. Lopez-Blanco or Dr. Stanley for the fiscal year if Ms. Lopez-Blanco or Dr. Stanley had not been terminated (in the case of termination by Ms. Lopez-Blanco or Dr. Stanley for Good Reason, subject to reduction in order to avoid such payments being deemed excess parachute payments, as that term is defined in Section 280G of the Code), and (4) in the case of termination of Ms. Lopez-Blanco or Dr. Stanley by the Company without Cause within 30 days of the first anniversary of the termination date, Ms. Lopez-Blanco's and Dr. Stanley's average annual performance bonus (as defined in her Employment Agreement) and (b) in the case of termination by Ms. Lopez-Blanco for a Change in Control Good Reason, the performance bonus Ms. Lopez-Blanco would have received for the year in which her employment terminates as if she had worked for the entire fiscal year and met all goals and objectives of such year; (iv) in the case of termination by the Company on account of the executive's Disability, continuation of base salary for a period of 12 months after the termination date (50% of base salary for a period of six months in the case of Ms. Lopez-Blanco or Dr. Stanley) and the actual performance bonus, on a pro rata basis, that would have been payable to executive for the fiscal year if executive had not been terminated, and (v) in the case of termination by the executive due to executive's Poor Health or Death, the executive's base salary through the termination date, the actual performance bonus, on a pro rata basis, that would have been payable to executive for the fiscal year if executive had not been terminated and a reimbursement for any reasonable business expenses incurred through the date of termination.
- (3) This amount reflects the value of each of the executive's unvested restricted stock as of December 31, 2013, that would become vested if a specified termination event had occurred on December 31, 2013. In the case of a Change in Control, this accelerated vesting will occur whether or not the executive's employment is terminated.
- (4) If both a Change in Control occurred and the executive's employment terminated on December 31, 2013, and the executive received the estimated payments shown in the Change in Control column of this table on that date, those payments would not have resulted in any excess parachute payment under Section 280G of the Code and thus no gross-up payments would have been required with respect to those payments. Whether or not a payment will constitute an excess parachute payment, however, depends not only upon the value of the payments that are contingent upon a Change in Control but also upon the average of an executive's W-2 compensation for the five years immediately prior to the year in which the Change in Control occurs. Thus, facts and circumstances at the time of any Change in Control and termination thereafter, as well as changes in the executive's compensation history preceding the Change in Control, could materially impact whether and to what extent any excise tax would be imposed and therefore the amount of any gross-up payment.
- (5) If the executive is terminated for Cause then the Company will continue to pay the executive his or her base salary through the termination date plus reimbursement for any reasonable business expenses incurred through the date of termination.
- (6) This amount reflects the value of Dr. Medel's unvested restricted and deferred stock as of December 31, 2013, that would become vested if a specified termination event had occurred on December 31, 2013. This amount includes 87,160 shares of Deferred Stock under the Deferred Grants in connection with the execution of Dr. Medel's Employment Agreement dated August 7, 2011. These Deferred Grants are subject to performance-based vesting requirements that will cause them to vest in increments of 25 percent if the Company achieves specified levels of annualized income from operations (on a trailing four quarters basis), as determined in accordance with GAAP as follows: \$475 million and \$525 million; provided, however that if the Company's income from operations goals are not achieved as of the year ending December 31, 2018, any unvested deferred stock awards shall terminate and become null and void. These Deferred Grants will continue to vest in accordance with their terms if Dr. Medel's employment is terminated by him for Good Reason, by the Company without Cause, if Dr. Medel incurs a Disability or is terminated due to Poor Health or death. If Dr. Medel's employment is terminated due to a Change in Control, then these Deferred Grants will vest immediately.
- (7) If Dr. Medel's employment is terminated for any reason, the Company will reimburse Dr. Medel for mutually agreed upon lease space and reasonable wages to an administrative assistant for two years from his date of termination. This amount represents the approximate cost of lease space and reasonable wages to an administrative assistant for two years.
- (8) This amount reflects the value of Ms. Lopez-Blanco's or Dr. Stanley's unvested restricted stock as of December 31, 2013, that would become vested in the event that Ms. Lopez-Blanco's or Dr. Stanley's termination date as a result of a Change in Control occurs within the 12 month period of a Change in Control.

**Table of Contents****DIRECTOR COMPENSATION**

Each non-employee Director receives the following annual compensation for their service: (i) an annual retainer fee of \$65,000, payable quarterly, (ii) an annual fee of \$7,500 for attendance at meetings, payable quarterly, (iii) an additional annual retainer fee of \$50,000, payable quarterly, for the Chairman of the Board of Directors and an additional annual retainer fee of \$25,000, payable quarterly, for the Lead Independent Director, (iv) an additional annual retainer fee of \$20,000, payable quarterly, for the chair of the Audit Committee, and (v) an additional annual retainer fee of \$10,000 per committee, payable quarterly, for the chair of any committee of the Board of Directors other than the Audit Committee. In addition, in June of each year, each non-employee Director is granted restricted stock with a grant date fair value of \$127,500, vesting in equal annual installments over a three-year period commencing on the anniversary of the date of grant. However, if at the time of the award a non-employee Director has served on the Board of Directors for a period of less than one year, the number of restricted shares subject to the award shall be prorated to reflect the actual amount of time such Director has served in such position.

In August of 2013, the Board of Directors reviewed its Director compensation program and, after consultation with PMP, approved an increase in the annual retainer from \$60,000 to \$65,000 for each Director effective October 1, 2013 and an increase in the grant date fair value of the restricted stock award for each Director from \$97,500 to \$127,500 effective with the June 1, 2014 grant. The increase in compensation was designed to enhance the Company's ability to attract and retain qualified Directors.

The Board of Directors' policy for awarding restricted stock also applies to each non-employee Director upon his or her initial appointment to the Board of Directors. The grant date fair value of the award will be \$200,000 with a three-year vesting period. We provide grants of equity to our Directors because we believe that it helps foster a long-term perspective and aligns our Directors' interests with that of our shareholders. MEDNAX also reimburses all of its Directors for out-of-pocket expenses incurred in connection with the rendering of services as a Director.

The following table includes all non-employee Directors who served in 2013. The amounts set forth in the table reflect the prorated increase in cash compensation described above. Dr. Medel does not earn additional income for his service as a Director. See Executive Compensation: Compensation Discussion and Analysis for information regarding Dr. Medel's compensation as Chief Executive Officer of MEDNAX.

Name	Fees Earned or Paid in Cash (1)	Stock Awards (2)	All Other Compensation	Total Compensation
Cesar L. Alvarez	\$ 118,750	\$ 97,472	\$	\$ 216,222
Waldemar A. Carlo, M.D.	\$ 68,750	\$ 97,472	\$	\$ 166,222
Michael B. Fernandez	\$ 68,750	\$ 97,472	\$	\$ 166,222
Roger K. Freeman, M.D.	\$ 78,750	\$ 97,472	\$	\$ 176,222
Paul G. Gabos	\$ 88,750	\$ 97,472	\$	\$ 186,222
Pascal J. Goldschmidt, M.D.	\$ 78,750	\$ 97,472	\$	\$ 176,222
Manuel Kadre	\$ 78,750	\$ 97,472	\$	\$ 176,222
Donna E. Shalala, Ph.D.	\$ 68,750	\$ 97,472	\$	\$ 166,222
Enrique J. Sosa, Ph.D.	\$ 68,750	\$ 97,472	\$	\$ 166,222

- (1) This column reports the amount of cash compensation earned in 2013 for Board and committee service and includes any increases in retainer fees effective October 1, 2013.
- (2) The amounts in this column reflect the grant-date fair value of the restricted stock awards, calculated in accordance with the accounting guidance for stock-based compensation, but excluding the impact of estimated forfeitures. The following Directors had outstanding stock option awards and restricted stock awards, respectively, at the 2013 fiscal year end: Mr. Alvarez (50,206 and 4,266), Dr. Carlo (67,790 and 4,266), Mr. Fernandez (58,372 and 4,266), Dr. Freeman (39,538 and 4,266), Mr. Gabos (67,790 and 4,266), Dr. Goldschmidt (79,538 and 4,266), Mr. Kadre (78,296 and 4,266), Dr. Shalala (28,634 and 4,266) and Dr. Sosa (57,122 and 4,266).

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Section 16(a) of the Exchange Act requires MEDNAX's Directors and executive officers, and persons who own more than 10% of our common stock, to file with the Securities and Exchange Commission reports of ownership and changes in ownership of our common stock. Our Directors, executive officers and greater than 10% shareholders are also required by rules promulgated by the Securities and Exchange Commission to furnish MEDNAX with copies of all Section 16(a) forms they file.

Based solely on a review of the copies of such reports furnished to MEDNAX, the absence of a Form 3, 4 or 5, or representations from certain reporting persons that no Forms 5 were required, MEDNAX believes that all Section 16(a) filing requirements applicable to its Directors, officers and greater than 10% beneficial owners were complied with during the fiscal year ended December 31, 2013.

**Security Ownership of Certain Beneficial Owners and Management**

The following table sets forth information concerning the beneficial ownership of common stock of MEDNAX as of March 11, 2014, for the following:

Each person known to us to be a beneficial owner of more than 5% of our outstanding shares of common stock;

Each of our Directors;

Our Chief Executive Officer and our other NEOs; and

All of our Directors and executive officers as a group.

Name of Beneficial Owner (1)	Common Stock Beneficially Owned (2)	
	Shares	Percent
FMR LLC (3)	8,823,953	8.8%
BlackRock, Inc. (4)	6,089,049	6.1%
The Vanguard Group (5)	5,853,986	5.8%
T. Rowe Price Associates, Inc. (6)	5,591,700	5.6%
Roger J. Medel, M.D. (7)	1,649,066	1.6%
Cesar L. Alvarez (8)	75,556	*
Waldemar A. Carlo, M.D. (9)	62,472	*
Michael B. Fernandez (10)	86,042	*
Roger K. Freeman, M.D. (11)	44,338	*
Paul G. Gabos (12)	73,140	*
Pascal J. Goldschmidt, M.D. (13)	84,888	*
Manuel Kadre (14)	83,646	*
Donna E. Shalala, Ph.D. (15)	35,034	*
Enrique J. Sosa, Ph.D. (16)	62,472	*
Joseph M. Calabro (17)	364,050	*
Vivian Lopez-Blanco (18)	104,148	*
Michael D. Stanley, M.D. (19)	47,592	*
Karl B. Wagner (20)	350,022	*
All Directors and executive officers as a group (17 persons) (21)	3,199,481	3.2%

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\* Less than one percent

- (1) Unless otherwise specified, the address of each of the beneficial owners identified is c/o MEDNAX, Inc., 1301 Concord Terrace, Sunrise, Florida 33323. Each holder is a beneficial owner of common stock of MEDNAX.
- (2) Based on 100,199,859 shares of common stock issued and outstanding as of March 11, 2014. The number and percentage of shares beneficially owned is determined in accordance with Rule 13d-3 of the Exchange Act and the information is not necessarily indicative of beneficial ownership for any other purpose. Under that rule, beneficial

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- ownership includes any shares as to which the individual or entity has voting power or investment power and any shares that the individual or entity has the right to acquire within 60 days of March 11, 2014, through the exercise of any stock option or other right. Unless otherwise indicated in the footnotes or table, each individual or entity has sole voting and investment power, or shares such powers with his or her spouse, with respect to the shares shown as beneficially owned.
- (3) Based on a Schedule 13G filed with the SEC on February 14, 2014. FMR LLC's address is 245 Summer Street, Boston, Massachusetts 02210.
  - (4) Based on a Schedule 13G filed with the SEC on January 30, 2014. BlackRock, Inc.'s address is 40 East 59<sup>th</sup> Street, New York, New York 10022.
  - (5) Based on a Schedule 13G filed with the SEC on February 11, 2014. The Vanguard Group's address is 100 Vanguard Boulevard, Malvern, Pennsylvania 19355.
  - (6) Based on a Schedule 13G filed with the SEC on February 10, 2014. T. Rowe Price Associates, Inc.'s address is 100 E. Pratt Street, Baltimore, Maryland 21202.
  - (7) Includes (i) 867,392 shares of common stock directly owned; (ii) 475,000 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 306,674 shares of unvested restricted stock which Dr. Medel presently has the power to vote. Excludes 87,160 shares of Deferred Stock awarded on August 7, 2011, for which vesting is subject to the satisfaction of performance criteria.
  - (8) Includes (i) 21,084 shares of common stock directly owned, of which 10,000 shares of common stock are jointly held with Mr. Alvarez former spouse; (ii) 50,206 shares of common stock subject to options exercisable within 60 days of March 11, 2014, of which Mr. Alvarez former spouse has a 50% economic interest with respect to 32,004 of such shares; and (iii) 4,266 shares of unvested restricted stock which Mr. Alvarez presently has the power to vote.
  - (9) Includes (i) 1,084 shares of common stock directly owned; (ii) 57,122 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 4,266 shares of unvested restricted stock which Mr. Carlo presently has the power to vote.
  - (10) Includes (i) 1,084 shares of common stock directly owned; (ii) 22,320 shares of common stock beneficially owned through a self-directed IRA; (iii) 58,372 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iv) 4,266 shares of unvested restricted stock which Mr. Fernandez presently has the power to vote.
  - (11) Includes (i) 534 shares of common stock directly owned; (ii) 39,538 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 4,266 shares of unvested restricted stock which Mr. Freeman presently has the power to vote.
  - (12) Includes (i) 1,084 shares of common stock directly owned; (ii) 67,790 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 4,266 shares of unvested restricted stock which Mr. Gabos presently has the power to vote.
  - (13) Includes (i) 1,084 shares of common stock directly owned; (ii) 79,538 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 4,266 shares of unvested restricted stock which Dr. Goldschmidt presently has the power to vote.
  - (14) Includes (i) 1,084 shares of common stock directly owned; (ii) 78,296 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 4,266 shares of unvested restricted stock which Mr. Kadre presently has the power to vote.
  - (15) Includes (i) 2,134 shares of common stock directly owned; (ii) 28,634 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 4,266 shares of unvested restricted stock which Dr. Shalala presently has the power to vote.
  - (16) Includes (i) 1,084 shares of common stock directly owned; (ii) 57,122 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 4,266 shares of unvested restricted stock which Dr. Sosa presently has the power to vote.
  - (17) Includes (i) 40,004 shares of common stock directly owned; (ii) eight shares of common stock directly owned by his wife which were acquired through the Company's employee stock purchase plans and as to which Mr. Calabro disclaims beneficial ownership; (iii) 137,500 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iv) 186,538 shares of unvested restricted stock which Mr. Calabro presently has the power to vote.
  - (18) Includes (i) 17,050 shares of common stock directly owned; (ii) 3,626 shares of common stock directly owned that were acquired through the Company's Employee Stock Purchase Plan; (iii) 40,000 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iv) 43,472 shares of unvested restricted stock which Ms. Lopez-Blanco presently has the power to vote.
  - (19) Includes (i) 10,000 shares of common stock directly owned; and (ii) 37,592 shares of unvested restricted stock which Dr. Stanley presently has the power to vote.
  - (20) Includes (i) 21,086 shares of common stock directly owned; (ii) 42,032 shares of common stock beneficially owned by RMMR Properties, L.P., a Delaware limited partnership controlled by Mr. Wagner; (iii) 1,392 shares accumulated through the Company's 401(k) thrift and profit sharing plans; (iv) 199,524 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (v) 85,988 shares of unvested restricted stock which Mr. Wagner presently has the power to vote.
  - (21) Includes (i) 990,219 shares of common stock directly owned; (ii) 1,380,642 shares of common stock subject to options exercisable within 60 days of March 11, 2014; and (iii) 756,190 shares of unvested restricted stock which certain executive officers presently have the power to vote.

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**INDEPENDENT AUDITORS**

**Independent Auditors**

MEDNAX's independent auditors for the year ended December 31, 2013, was the firm of PricewaterhouseCoopers LLP. Subject to shareholder ratification, the Audit Committee has reappointed PricewaterhouseCoopers LLP as the independent registered certified public accounting firm to perform audit services for MEDNAX in 2014. MEDNAX expects that representatives of PricewaterhouseCoopers LLP will attend the annual meeting. They will have an opportunity to make a statement if they desire to do so and will be available to respond to appropriate questions.

**Fees Paid to Independent Auditors**

The aggregate fees billed by PricewaterhouseCoopers LLP for the indicated services rendered during fiscal years 2013 and 2012 were as follows:

**Audit Fees**

PricewaterhouseCoopers LLP has billed MEDNAX \$1,027,300, in the aggregate, for professional services for the audit of the Company's consolidated financial statements and internal control over financial reporting for the year ended December 31, 2013, reviews of MEDNAX's interim consolidated financial statements, which are included in each of MEDNAX's Quarterly Reports on Form 10-Q for the year ended December 31, 2013 and the statutory audit of MEDNAX's wholly owned captive insurance subsidiary. During 2012, audit fees totaled \$1,003,350, in the aggregate, for professional services for the audit of MEDNAX's consolidated financial statements and internal controls over financial reporting for the year ended December 31, 2012, reviews of MEDNAX's interim consolidated financial statements, which are included in each of MEDNAX's Quarterly Reports on Form 10-Q for the year ended December 31, 2012, statutory audits of MEDNAX's wholly owned captive insurance subsidiary and the review of certain SEC filings.

**Audit-Related Fees**

During 2013, Pricewaterhouse Coopers LLP did not bill MEDNAX for any audit-related services. During 2012, PricewaterhouseCoopers LLP billed MEDNAX \$42,500 for the audit of MEDNAX's benefit plans.

**Tax Fees**

During 2013 and 2012 PricewaterhouseCoopers LLP did not bill MEDNAX for any tax consultation services.

**All Other Fees**

There were no other fees billed by PricewaterhouseCoopers LLP for 2013 or 2012.

**Pre-Approval Policies and Procedures**

The Audit Committee is required to review and approve the proposed retention of independent auditors to perform any proposed auditing and non-auditing services as outlined in its charter. The Audit Committee has not established policies and procedures separate from its charter concerning the pre-approval of auditing and non-auditing related services. As required by Section 10A of the Exchange Act, our Audit Committee has authorized all auditing and non-auditing services provided by PricewaterhouseCoopers LLP during 2013 and the fees paid for such services.

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**PROPOSAL 2: RATIFICATION OF THE APPOINTMENT OF INDEPENDENT AUDITORS**

The Audit Committee has selected and appointed the firm of PricewaterhouseCoopers LLP to act as our independent registered certified public accounting firm for the 2014 fiscal year. PricewaterhouseCoopers LLP was our independent auditor for the fiscal year ended December 31, 2013. Although ratification is not required by our bylaws or otherwise, the Board of Directors is submitting the appointment of PricewaterhouseCoopers LLP to our shareholders for ratification as a matter of good corporate practice. If the appointment is not ratified, the Audit Committee will re-evaluate its appointment, taking into consideration our shareholders' vote. However, the Audit Committee is solely responsible for the appointment and termination of our auditors and may do so at any time in its discretion.

Proxies will be voted **FOR** ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2014 fiscal year absent contrary instructions.

*MEDNAX's Board of Directors recommends a vote **FOR** ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered certified public accounting firm for the 2014 fiscal year.*



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**PROPOSAL 3: ADVISORY VOTE ON EXECUTIVE COMPENSATION**

As required by Section 14A of the Exchange Act, MEDNAX is providing its shareholders the opportunity to cast a non-binding advisory vote FOR or AGAINST the compensation paid to named executive officers in 2013 as disclosed and described in the Executive Compensation: Compensation Discussion and Analysis section of this Proxy Statement, including the section entitled Overview of the Executive Compensation Program, the compensation tables and the narrative disclosures that accompany the compensation tables.

As described in detail in our Executive Compensation: Compensation Discussion and Analysis section of this Proxy Statement, the compensation tables and related narrative discussion, the compensation of executive officers is designed to have strong links to performance achievements, both in terms of operational and financial results as well as in optimizing shareholder value. We evaluate the relationship between compensation cost, shareholder value and company performance on a regular basis. At-risk elements such as performance-based cash incentives and stock-based compensation comprise a significant portion of our overall executive remuneration. For incentive plans, we establish performance goals so that the level of compensation received appropriately corresponds to the level of performance achieved. In addition, the vesting of stock-based compensation is designed to encourage ownership that results in business decisions that build long-term shareholder value and thus stock price appreciation, and retention of our named executive officers. We believe that the compensation paid to our named executive officers for 2013 appropriately considers our demonstrated ability to increase revenue, net income and profitability over the short- and long-term as a result of the continued leadership of these named executive officers. The introduction of performance shares with rigorous financial goals in 2014 will further align executive pay with Company performance and the adoption of a clawback policy, required minimum share ownership for our executive officers and enhanced anti-hedging policies further align executive compensation with our shareholder long-term interests.

Shareholders are urged to read the section entitled Executive Compensation: Compensation Discussion and Analysis, which discusses our executive compensation programs in detail, as well as the section entitled Management's Discussion and Analysis of Financial Condition and Results of Operations appearing in our 2013 Annual Report that accompanies this Proxy Statement.

Accordingly, MEDNAX requests your approval of the following resolution:

RESOLVED, that the compensation paid to the Company's named executive officers, as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the section entitled Executive Compensation: Compensation Discussion and Analysis, compensation tables and related narrative discussion, is hereby APPROVED.

***MEDNAX's Board of Directors recommends a vote FOR the approval of the compensation paid to its named executive officers as disclosed pursuant to the compensation disclosure rules of the Securities and Exchange Commission and described in the section entitled Executive Compensation: Compensation Discussion and Analysis, including the compensation tables and the related narrative discussion.***

Although the vote is non-binding and advisory, the Board of Directors and the Compensation Committee will review the voting results in connection with their ongoing evaluation of the Company's compensation program.

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**OTHER BUSINESS**

The Board of Directors knows of no other business to be brought before the annual meeting. If, however, any other business should properly come before the annual meeting, it is the intention of the persons named in the accompanying proxy card to vote the shares they represent in accordance with the recommendation of MEDNAX's Board of Directors.

**AVAILABILITY OF ANNUAL REPORT ON FORM 10-K**

**Copies of our Annual Report on Form 10-K for the fiscal year ended December 31, 2013 (without exhibits or documents incorporated by reference therein) are available without charge to shareholders upon written request to Investor Relations at 1301 Concord Terrace, Sunrise, Florida 33323, by calling (954) 384-0175 or via the Internet at [www.mednax.com](http://www.mednax.com).**

**INFORMATION CONCERNING SHAREHOLDER PROPOSALS**

As more specifically provided in our Articles of Incorporation, no business may be brought before an annual meeting unless it is specified in the notice of the meeting or is otherwise properly brought before the meeting by or at the direction of our Board of Directors or by a shareholder entitled to vote who has delivered proper notice to us, together with the information required by our Articles of Incorporation, not less than 120 days nor more than 180 days prior to the first anniversary of the preceding year's notice of annual meeting. Accordingly, any shareholder proposal to be considered at the 2015 Annual Meeting of Shareholders must be properly submitted to us on or before November 27, 2014, but not earlier than September 28, 2014, or such proposal will be considered untimely. A copy of the provision of MEDNAX's Articles of Incorporation relating to shareholder nominations is available upon request from MEDNAX's Secretary at 1301 Concord Terrace, Sunrise, Florida 33323. These requirements are separate from the Securities and Exchange Commission's requirements that a shareholder must meet in order to have a shareholder proposal included in our Proxy Statement for the 2014 Annual Meeting of Shareholders.

Shareholders interested in submitting a proposal for inclusion in our proxy materials for the 2014 Annual Shareholders Meeting may do so by following the procedures set forth in Rule 14a-8 under the Exchange Act and MEDNAX's Articles of Incorporation. To be eligible for inclusion in such proxy materials, shareholder proposals must be received by our Secretary, at the address noted above, not later than November 27, 2014. No shareholder proposal was properly received for inclusion in this Proxy Statement.

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Sunrise, Florida 33323-2825

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