BAXTER SUPPORTS ADVANCING AMERICAN KIDNEY HEALTH INITIATIVE AND PLANS SIGNIFICANT U.S. INVESTMENT TO HELP DRIVE IMPLEMENTATION

• Administration’s innovative approach will help improve outcomes, lower health system costs and offer quality-of-life benefits to patients
• As the leading provider of PD in U.S. and around the world, Baxter is committed to help drive U.S. home dialysis adoption in line with Administration’s goals

DEERFIELD, Ill., July 10, 2019 – Baxter International Inc. (NYSE:BAX), a global innovator in renal care, announced its full support of the Administration’s Advancing American Kidney Health Initiative introduced today. The company plans to make the necessary investments to support implementation, which are expected to result in new U.S. manufacturing capacity and the creation of high-quality U.S. jobs. The Administration’s groundbreaking action aims to increase the number of new end-stage renal disease (ESRD) patients who receive home dialysis and organ transplants to 80% by 2025.

“We are excited to partner with the Administration and healthcare providers to bring the benefits of peritoneal dialysis (PD) to more patients and improve dialysis care overall,” said José (Joe) E. Almeida, chairman and chief executive officer, Baxter. “In support of this effort, we are committed to investing in additional U.S. manufacturing capacity that will bring our industry-leading technology and services to new patients, while also creating jobs for Americans.”

Baxter’s investments will be scaled in the U.S. to align with the proposed models from the Centers for Medicare and Medicaid Services and patient and market dynamics across the adoption curve. Investments are expected to be made accordingly in potential new U.S. facilities, as well as
existing sites that make and distribute PD solutions, devices and cassettes. In turn, these investments are expected to create hundreds of high-quality manufacturing, supply chain and engineering jobs.

“We are appreciative of the Administration’s momentous shift with this initiative that will benefit ESRD patients,” said Laura Angelini, general manager of Baxter’s Renal Care business. “Our extensive home dialysis infrastructure, pioneering innovation in home therapies and deep expertise in driving PD adoption around the world will help make the Administration’s innovative vision a reality.”

About Baxter’s Home Dialysis Therapy

Baxter is the largest supplier of PD products in the U.S. PD is the most common form of home dialysis. Baxter has extensive expertise and infrastructure to support healthcare providers and PD patients in all 50 states. Baxter offers a range of services to help patients manage the day-to-day components of therapy, including 24/7 technical support, monthly delivery of supplies to patient homes, and a travel program to deliver supplies to vacation destinations.

The company has a strong legacy of innovation in home dialysis therapy, from introducing the first PD solution in 1960 and the first automated peritoneal dialysis cycler in 1994, to the launch of the Amia cycler with Sharesource remote patient management technology in 2015. Sharesource is the only two-way telehealth platform in the U.S. that allows clinicians to monitor and manage their home dialysis patients. Baxter recently launched Sharesource 2.0, which provides more comprehensive patient treatment summaries to healthcare providers, including trending ultrafiltration data, so they can make better informed and more timely treatment decisions.

The Impact of ESRD in the U.S.

Chronic kidney disease impacts the lives of more than 30 million Americans. Of those, more than 726,000 have ESRD, or kidney failure, and require dialysis treatment or an organ transplant to survive. Due to a variety of factors, including a lack of patient education on treatment options and clinician perceptions, only 12% of those who receive dialysis treatment do so at home. An analysis
shows that at least 78% of ESRD patients are candidates for PD based on clinical criteria, but only 10% currently use PD.²

PD offers several patient benefits, including improved early survival, higher satisfaction rates and quality-of-life measures,³ and a stronger bridge to an organ transplant.⁴ An analysis of twenty real-world studies and two randomized controlled trials concluded that at six months, PD has a 50% lower risk of mortality than hemodialysis (HD), a 22 to 41% lower risk at one year and a 10% lower risk at two years.⁵ Additionally, prior PD use is associated with an earlier start of function in transplanted kidneys and higher survival rates at five years post-transplant.⁴

Medicare provides coverage for ESRD patients, regardless of age. According to USRDS, Medicare spends more than $114 billion on patients with chronic kidney disease annually, which includes $35 billion on ESRD patients. Globally, studies have shown that PD is at least 20% less expensive than HD, with the highest savings realized in developed economies.⁶ Overall, cost efficiencies come from fewer hospitalizations, lower infrastructure costs and reduced medication spending.

About Baxter

Every day, millions of patients and caregivers rely on Baxter’s leading portfolio of critical care, nutrition, renal, hospital and surgical products. For more than 85 years, we’ve been operating at the critical intersection where innovations that save and sustain lives meet the healthcare providers that make it happen. With products, technologies and therapies available in more than 100 countries, Baxter’s employees worldwide are now building upon the company’s rich heritage of medical breakthroughs to advance the next generation of transformative healthcare innovations. To learn more, visit www.baxter.com and follow us on Twitter, LinkedIn and Facebook.

This release includes forward-looking statements concerning PD expansion, including expectations with regards to the American Kidney Health Initiative, the timing thereof, and potential benefits associated with its implementation. The statements are based on assumptions about many important factors, including the following, which could cause actual results to differ materially from those in the forward-looking statements: satisfaction of government and other requirements; actions of regulatory bodies and other governmental authorities; product quality, manufacturing or supply, or patient safety issues; changes in law and regulations; and other risks identified in Baxter’s most recent filing on Form 10-K and other SEC filings, all of which are available on Baxter’s website. Baxter does not undertake to update its forward-looking statements.

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1 USRDS ADR 2018: Vol 2 ESRD, Chap 1, Table 1.4.