China Healthcare: Device VBP: #5: DES VBP 2nd renewal: Pricing Continues to Trend Up; MNC Participation Rebounds

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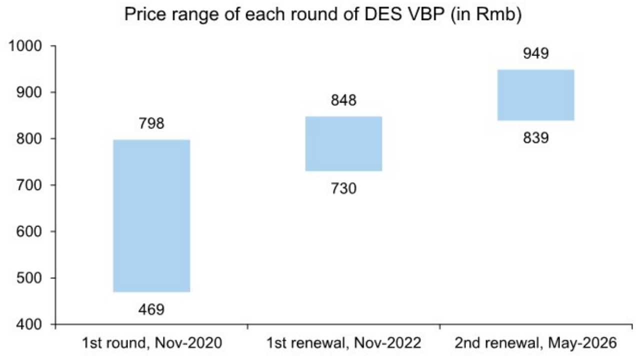
The results from the second renewal of the national DES VBP were released on May 20 (see the result here), with key takeaways on pricing and competitive landscape as follows.

Pricing saw an uptick: Pricing increased to Rmb839-949, vs. Rmb730-848 in 2022 renewal, see our previous note, reinforcing our view that **VBP is increasingly a one-off price reset rather than a sustained margin headwind** (see our prior note). This also suggests that NHSA's focus is shifting towards stabilizing prices, supply and overall industry economics. The pricing uptake was attributable to consistent bidding framework and clear volume-price linkage, including a higher effective price ceiling to Rmb949 (from Rmb848) and tiered allocation mechanism (90%/75%/60%). Building on the 2022 renewal—where price increases of 5–76% helped ease margin pressure—the current mechanism allows companies to better balance pricing and guaranteed volume, reducing the risk of losing full allocation and supporting more rational pricing behavior and improved market stability.

MNCs becoming more active in China VBP participation: In contrast to the domestic substitution trend following the first round, major MNC players, such as Boston Scientific, Medtronic and Abbott saw volume share rising to c.41%, from c.32% in the first renewal. This aligns with our February field-trip takeaway (see our note), where Boston Scientific highlighted China as a strategically important market, supported by ongoing innovation, broad hospital coverage, and deeper local engagement. Under the VBP framework, innovation and portfolio breadth are increasingly critical to capturing incremental volume and supporting revenue per procedure. At the same time, improved affordability under VBP may help sustain patient and physician preference for MNC brands at comparable price points.

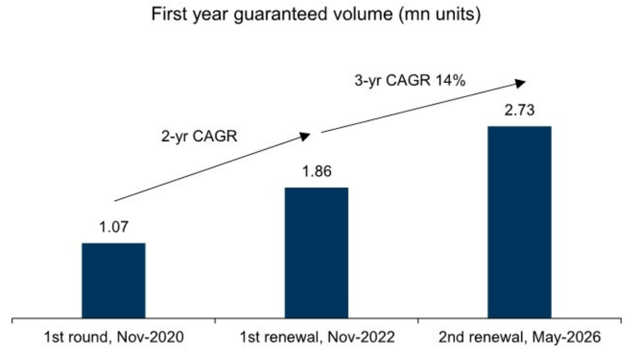
Underlying demand remain strong post VBP: Strong volume growth is supported by rising procedure demand and broader hospital participation. Submitted demand reached c.2.73mn units, implying a 14% CAGR vs. the 2022 renewal, underpinned by continued growth in PCI procedures (2.21mn in 2025 vs. 1.29mn in 2022, per F&S). Participating hospitals increased to 4,468 from 2,408, indicating both expanded coverage and deeper PCI penetration.

Exhibit 1: Price of each round of DES VBP continue to increase



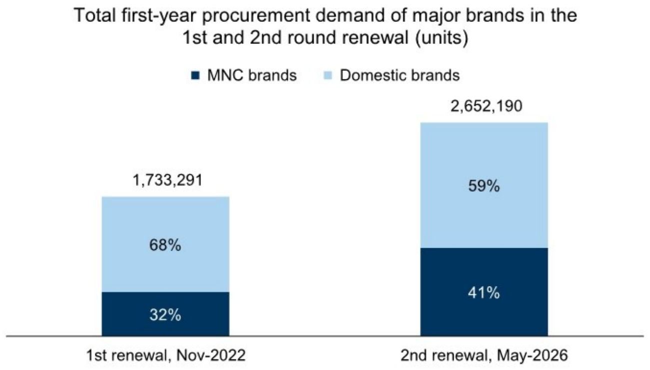
Source: Tianjin Medical Purchasing Center (TJMRC)

Exhibit 2: Submitted demand reached c.2.73mn units, implying a 14% CAGR vs. the 2022 renewal



Source: Tianjin Medical Purchasing Center (TJMRC)

Exhibit 3: MNC submitted volume increased to c.41% in the 2nd round renewal (vs. c.32% in the first round)



Only the brands with >100k units volume is included

Source: Tianjin Medical Purchasing Center (TJMRC)

Exhibit 4: ...notably market share gain for Abbott

Sort by submitted volume for 2nd round renewal

Company	1st round renewal (units)	2nd round renewal (units)	volume growth	1st round renewal mkt share	2nd round renewal mkt share	change of mkt share
MicroPort	581,806	669,141	15%	31%	25%	-7%
Boston Scientific	275,931	403,423	46%	15%	15%	0%
Abbott	20,421	358,190	1654%	1%	13%	12%
Jiwei Medical	278,198	345,026	24%	15%	13%	-2%
Medtronic	250,141	336,019	34%	13%	12%	-1%
Lepu	215,374	257,129	19%	12%	9%	-2%
Sinomed	36,579	181,609	396%	2%	7%	5%
Kinhely	74,841	101,653	36%	4%	4%	0%

Source: Tianjin Medical Purchasing Center (TJMRC)

Exhibit 5: Tiered volume allocation ratios for coronary drug-eluting stents

Product category	Winning price range (Rmb/unit)	Base committed-volume ratio
Coronary drug-eluting alloy stents	Winning price ≤ 848	90%
	848 < Winning price ≤ 898	75%
	898 < Winning price ≤ 949	60%
Coronary drug-eluting stainless-steel stents	Winning price ≤ 757	90%
	757 < Winning price ≤ 802	75%
	802 < Winning price ≤ 848	60%

Source: Tianjin Medical Purchasing Center (TJMRC)

VBP tracker

Exhibit 6: VBP for consumables likely to see full coverage by YE26, likely extending to capital equipment
As of May 21, 2026

	2019	2020	2021	2022	2023	2024	2025	2026	# of provinces
Cardiovascular									
Drug eluting stent	1	31							31
PTCA Balloon	1	9	16		18				31
Drug-coated balloon		8	17				31		31
Pacemaker	1	3	24	4					31
Electrophysiology (RF ablation)				27	3		1		30
PFA guide wire							1		1
PTCA Guidewire&Catheter			23	17	8				31
Intravascular ultrasound					31				31
Heart occluder device					20	1	31		31
Coronary balloon					19	19		16	20
Thoracic and abdominal aortic stent							1		1
Aneurysm clip					23		3		26
TAVR							20		20
Ablation electrode					1	1	23		23
Orthopedics									
Hip/Knee implant	1	4	31						31
Spine implant			1	31					31
Trauma implant		1	12	20	29				31
Sport Medicine					31				31
Neurointervention									
Embolic coil			1	23	2	10			31
Intracranial thrombectomy stent					11	1			12
Guide wire			1	18				29	30
Neurosurgical consumables					22				22
Balloon dilatation catheter						27			27
Dense-mesh stent						26	2		28
Intracranial balloon						27			27
Cerebrospinal fluid shunt system					23		1		24
Equipment & others									
Category B large equipment		1	2	3	1	1	1		4
Ultrasound/CT/MRI					1	1	12		12
Patient Monitoring & Life Support					1		1		2
Peripheral intervention									
Peripheral vascular stent						31			31
Intravascular balloon catheter						27			27
Drug-coated balloons				16	1	27	31		31
Embolic coil					11				11
Guide catheter			1	17		27		29	30
Vena Cava Filter			4				23		24

	2019	2020	2021	2022	2023	2024	2025	2026	# of provinces
Surgical instruments/ consumables									
Stapler		7	25	16	6				31
Hernia surgical meshes		6	6	11	6				27
Ultrasonic scalpel		1	12	3	15	15			31
Absorbable ligation clip				16	1	31			31
Non-absorbable ligation clip			4		20	31			31
Dural patch		2	3	11	6		20+		20
Trocar		1	2	1	2				6
Breast biopsy probe						31			31
Urological interventional consumables							31		31
Ophthalmology									
Intraocular lens (IOL)	2	24	23	8	31				31
Ortho-K				16					16
Dental									
Dental implant			4	31					31
Orthodontic bracket & clear aligner	1			15					16
IVD reagent									
Biochem				21	24	27			27
CLIA reagent			1		25	28			28
Bronchoscopy internvertion									
Tracheal & Bronchial stent					14			1+N	15+N
Other consumables									
Ureteral stent					1		26		27
High-frequency electrosurgical unit							29		29
Neutral electrode							29		29
TCM acupuncture needles					1	1	25		26
Insulin pen					9				9
Indwelling needle		2	9	21			20+		31
Hemodialyzer		1	7	20	22	5			27
Cochlear implant				19		31			31
Medical film		7	1	1			20+		20+
Hemostatic materials					15		21+		20+
Disposable biopsy needle			1	16					16
Pre-filled flush			2	16		12			28
Incision Protector			4					4	4

Numbers refer to # of provinces that announced/implemented VBP; N denotes the number of provinces to be announced.

Source: National/Regional Healthcare Security Administration

Exhibit 7: Accelerating progress in VBP since Oct 25; expecting additional announcements towards year end 2026

Date of announcement	Product categories	Covered regions	Domestic companies	MNCs
Mar-26	Incision Protector	Shangdong-led regional VBP, 4 provinces	Kangji Medical, Weigao, Bluesail Surgical, etc.	Applied Medical, Medtronic, J&J, etc.
Mar-26	Bronchoscopy internvertion: Tracheal & Bronchial stent, Airway balloon dilation catheter, Electronic bronchoscope/ imaging catheter, etc.	Hunan-led regional VBP	Microtech, Aohua Endoscopy, SonoScape, etc.	Boston Scientific, Olympus, Medtronic, Cook, etc.
Mar-26	Coronary balloon	Henan-led regional VBP, 16 provinces/ regions	Lepu, MicroPort Rhythm, Sinomed, Brosmed, DK Medtech, etc.	Boston Scientific; Nipro
Mar-26	Snare devices, Peripheral vascular constraint-type balloon dilation catheter, Powered irrigation device (orthopedic and trauma surgery)	Hebei-led regional VBP	Zylox-Tonbridge, Acotec, Lepu, BrosMed, Shunmei, Double Medical, etc	Medtronic, Boston Scientific, Cook, Becton Dickinson, Stryker, etc.
Feb-26	Neurointerventional microcatheter, Peripheral interventional microcatheter, Pacemaker consumables	Zhejiang-led regional VBP, 27/29 provinces/ regions	MicroPort NeuroTech, HeartCare, Zylox-Tonbridge, Peijia Medical, Shunmei, Lepu, MicroPort CRM, etc.	Medtronic, Abbott, Boston Scientific, Stryker, Terumo, Biotronik, etc.
Dec-25	PFA catheter	Beijing	APT Medical, Dinova, Jinjiang, MicroPort Everpace, Shineyo Medical, etc.	Boston Scientific, Medtronic, J&J
Dec-25	Vena cava filter, ablation electrode	Heilongjiang-led regional VBP, 23 provinces/ regions	LifeTech, Hope Med, APT Med, etc.	Cook, Becton Dickinson, B. Braun, etc.
Dec-25	Dural patch (for hard meninges), incl. chemically synthesized and animal-derived materials	Tianjin-led 3+N alliance, GSe 20+ provinces/ regions	Guanhao Bio, Medprin etc.	B. Braun, Cook. J&J, etc.
Dec-25	Indwelling needles	Tianjin-led 3+N alliance, GSe 20+ provinces/ regions	Weigao, Kindly Medical etc.	Becton Dickinson, Terumo etc.
Nov-25	Ureteral stent	Chongqing-led regional VBP, 26 provinces/ regions	Ruibang Medical, Lakh Medical, Weili Medical, Microport	Boston Scientific, Cook, Becton Dickinson, B. Braun
Nov-25	Heart occluder device	Fujian-led VBP, covering all provinces/ regions	Lepu ScienTech, LifeTech, Balance Medical, Kewei Medical, etc.	Abbott, Boston Scientific, etc.
Nov-25	High-frequency electrosurgical unit and neutral electrode	Hunan-led regional VBP, 29 provinces/ regions	Mindray, Beijing Kangwei, Shandong Huabo, etc.	Covidien, Erbe, Conmed, etc.
Nov-25	TCM acupuncture needles	Guangxi-led regional VBP, 25 provinces/ regions	Yuwell, Jiajian Medical, Yunlong Medical	-
Nov-25	TCM decoction pieces, covering 41 categories	Joint VBP covering all provinces/ regions	Gushengtang, Kangmei Pharma, Tongrentang, Liliangji, China TCM, etc.	-
Oct-25	Heart valve, incl. biological valve, mechanical valve, transcatheter valve	Gansu-led regional VBP, over 20 provinces/ regions	Venus, Peijia, Microport Cardioflow, Lepu, Balance Medical, Genesis, etc.	Medtronic, Abbott, Edward, etc.
Oct-25	Medical film, incl. laser film and thermal film	Tianjin-led 3+N alliance, GSe 20+ provinces/ regions	Luckyfilm, Clear etc.	Carestream, Fujifilm, etc.
Oct-25	Hemostatic materials, incl. in-body use, surface use, and ENT	Tianjin-led 3+N alliance, GSe 20+ provinces/ regions	Medprin, Borayer etc..	Becton Dickinson, B. Braun, Baxter, J&J, etc.
Oct-25	Coronary drug-coated balloon	6th batch national VBP for medical consumables	Microport, Acotec, Lepu, Grand Pharma, etc.	Biotronik, Medtronic, Boston Scientific, etc.
Oct-25	Peripheral vascular drug-coated balloon, for arteriovenous fistula dialysis access, above-the-knee sites, and below-the-knee sites	6th batch national VBP for medical consumables	Acotec, Lepu, Zylox, etc.	Medtronic, Biotronik, TriReme Medical, etc.
Oct-25	Urological interventional consumables, incl. guidewire, sheath, balloon dilation catheter, stone retrieval basket, single-use flexible ureteroscope sheath/catheter, percutaneous nephrostomy kit	6th batch national VBP for medical consumables	Weigao, Microport, Innovex, Ruibang Medical, etc.	Boston Scientific, Becton Dickinson, Medtronic, Cook Medical, etc.

Source: Regional healthcare security administration

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