

Health industries accounting and reporting quarterly insights: **June 2026**



Welcome to our latest quarterly industry insights for pharmaceutical, life sciences, medtech, healthcare, and not-for-profit sectors. This edition features new insights on the midyear deals outlook for Health services, Pharmaceutical and life sciences, and MedTech, recently released SEC proposed rules, and other regulatory and accounting updates.

Spotlight

US Health Industries 2026 midyear deals outlook report

PwC's latest midyear updates offer a snapshot of evolving deal trends across Pharmaceutical & life sciences, Health services and Medtech.

Health services: US Deals 2026 Midyear Outlook

The Health services US Deals 2026 Midyear Outlook highlights how health services M&A remains resilient despite reimbursement & political uncertainty, and ongoing operational challenges, with investors continuing to prioritize scalable, cash-generating platforms that offer reimbursement visibility, margin durability, and operational resilience across key subsectors.

Pharmaceutical and life sciences: US Deals 2026 Midyear Outlook

The Pharmaceutical and Life Sciences US Deals 2026 Midyear Outlook highlights how biopharma dealmaking accelerated in the first half of 2026, driven by a surge in \$1B+ acquisitions as pharmaceutical companies moved to replenish pipelines ahead of looming loss-of-exclusivity pressures. PLS deal value surpassed \$65B in the first quarter of 2026, marking the strongest quarter since 2020.

The report explores how dealmakers are prioritizing differentiated science, high-growth therapeutic areas, and next-generation modalities while navigating pricing pressure, regulatory uncertainty, and growing expectations around AI-enabled value creation.



Medtech: US Deals 2026 Midyear Outlook

The Medtech US Deals 2026 Midyear Outlook highlights how medtech M&A continued to build momentum through the first half of 2026, driven by investment in higher-growth categories, innovation-led acquisitions, and portfolio repositioning. The report explores the strategic priorities shaping deal activity, including the pursuit of differentiated technologies, connected care capabilities, and category leadership, while examining how companies are navigating geopolitical uncertainty, tariff exposure, supply chain pressures, and capital market volatility.

Unlocking the Menopause Market: A Growing Opportunity in Women's Health

Menopause and midlife health represent a significant and often overlooked opportunity across the healthcare landscape. As demand for more personalized and comprehensive care grows, organizations have an opportunity to develop new solutions that better support women across the healthcare continuum, from prevention and diagnosis through treatment, ongoing management, and supportive services. New research highlights the potential for innovation and growth across providers, pharma, and digital health.

No-Regrets Moves for Provider Transformation: Rethinking Care, Cost and Capability

Health systems face a decade of unprecedented structural change—one that incremental fixes won't solve. To thrive in this evolving landscape, provider leaders must redesign operating models today to improve reliability, protect clinicians, and maintain control as care decentralizes.

Medical Cost Trend: Behind the Numbers 2027

The cost of patient care is growing. Health plans are projecting the highest medical cost trend in nearly two decades. As five powerful forces reshape the healthcare landscape for payers and employers alike, the challenge is not simply understanding what is driving costs higher, but whether health plans can implement cost-of-care strategies quickly enough to ease mounting pressure on affordability and access.

Regulatory and accounting updates

Tariffs

Following the Supreme Court's decision deeming certain tariffs imposed under the International Emergency Economic Powers Act (IEEPA) invalid, companies should reassess the related accounting and financial reporting implications. Companies impacted by this ruling should evaluate the effect of the ruling on areas such as inventory costing, recoverability of tariff-related amounts, contingencies, revenue recognition, and related disclosures based on their specific facts and circumstances.

When determining whether or when to record an asset for a right to tariff refund, companies should record an asset when it has a valid legal refund claim against the government. Given the lack of explicit GAAP for the accounting for tariff obligations or refunds of tariffs deemed to be invalid, other views may be acceptable, including applying (a) a loss recovery model by analogy to ASC 410-30 or (b) a gain contingency model under ASC 450-30.

For more information on the accounting for tariffs and the impacts of refunds of tariff-related amounts, refer to our **In Depth**.

SEC proposed rules

Semi annual reporting

On May 5, the SEC issued a rule proposal that would provide an optional semiannual reporting framework as an alternative to the existing quarterly reporting framework. Quarterly reporting would remain the default, and a public company would need to affirmatively elect semiannual reporting annually through a check box. A semiannual filer would then file a new Form 10-S covering the first half of the fiscal year instead of filing Form 10-Q for each of the first three quarters. Form 10-S would require the same information as Form 10-Q, with financial statements covering a six-month period, auditor review, and Inline XBRL tagging. The proposal would not change Form 8-K requirements and triggering events, including those related to furnishing any earnings releases. The proposal would also revise how registrants evaluate the age of financial statements in registration statements and certain other filings. Comments on the proposal are due by July 6, 2026.

For further details on the rule proposal, refer to our [In brief](#) and [podcast](#).

Filer status

The SEC proposed rule changes that would simplify the determination of filer status, resulting in only two primary filer categories, large accelerated and non-accelerated. Non-accelerated filers would be entitled to many of the accommodations currently available to smaller reporting companies and emerging growth companies.

- There would be two primary filer categories: large accelerated filers (LAF) and non-accelerated filers (NAF).
 - LAF requirements would remain similar to today, but the threshold to become a large accelerated filer would be raised to \$2 billion public float (compared to \$700 million today). Public float calculation would be revised to be calculated using a 10-day average at the end of the second quarter for two consecutive years.
 - NAFs would have scaled disclosures as well as other accommodations aligned with current smaller reporting and emerging growth companies, including only requiring two years of financial statements, scaled executive compensation disclosures, among others.
 - While management's responsibility to assess the effectiveness of internal controls over financial reporting (ICFR) would remain unchanged, NAFs would no longer be required to obtain an auditor attestation on ICFR.
 - A subset of NAFs with under \$35 million in total assets, referred to as small NAF registrants (SNFs), would have additional time to file annual and quarterly reports.
- Companies filing initial registration statements would always enter as NAFs—regardless of size, revenues, or past issuances of debt securities—and would retain that status for a minimum of five years.

The proposed rule is subject to a 60-day public comment period ending on July 20, 2026. For further information, refer to our [In brief](#).

Registered offering reform

The SEC has proposed reforms to modernize the registered securities offering framework and expand access to public capital markets. If adopted, the changes would broaden eligibility to use Form S-3, providing more registrants access to shelf offerings, At-The-Market programs, and registration and communication benefits currently reserved for well-known seasoned issuers (WKSIs), while also expanding Form S-1 incorporation-by-reference rules. The proposed rule is subject to a 60-day public comment period ending on July 27, 2026. Refer to our [**In brief**](#) for further information.

CFI 130.05

As calendar year end companies perform their annual assessment of smaller reporting company (SRC) status as of the end of their second fiscal quarter (i.e. June 30, 2026), companies are reminded of the need (in consultation with SEC counsel) to consider CFI 130.05, which was issued in August 2025. CFI 130.05 may impact the timing of a former SRC's transition to accelerated or large accelerated filer status.

As a reminder, CFI 130.05 applies when the issuer qualified as an SRC under the revenue test in paragraph 2 of the SRC definition of Rule 12b-2 in the prior year (i.e. when assessed as of June 30, 2025) but does not meet the definition of an SRC under the revenue test when assessed as of June 30, 2026. The CFI indicates that, because the issuer remains eligible to use the requirements for an SRC under the revenue test until the 2027 first quarter Form 10-Q, the issuer would not meet all the conditions in the accelerated filer (or large accelerated filer) definition and, accordingly, would remain a non-accelerated filer for the 2026 Form 10-K filing and all 2027 Form 10-Q filings. Similarly, an SRC that is also an emerging growth company (EGC) would not “trip” the large accelerated filer disqualifying provision when assessing EGC status as of 12/31/2026.

Refer to [**CFI 130.05**](#) for further information. Companies are also reminded of rule proposals that were recently published by the SEC, which may impact the relevance of CFI 130.05 and SRC status more broadly.

Financial reporting implications of geopolitical conflict

International conflict increases geopolitical risk and creates greater uncertainty in the global economic and operating environment. Recent developments in the Middle East, particularly related to the US military operations in Iran and the Iranian response, have deeply affected individuals and organizations across the region. The resulting environment has given rise to heightened uncertainty and risk worldwide. Although Iran has historically been subject to embargoes that restrict dealings and trade by US entities (including entities organized in the US and foreign subsidiaries of US entities), the conflict in Iran and collateral impacts to several countries in the surrounding region have triggered meaningful disruption in global markets.



The conflict in the Middle East may have a direct effect on US companies and their subsidiaries. Direct impacts may result from the disruption of maritime transit through the Strait of Hormuz, safety risks to personnel in the region, physical damage to buildings and facilities, and the reduced availability and increased cost of oil and gas. There may also be indirect effects, such as those related to global supply chain disruption, including vessel rerouting, port congestion, and extended transit times; volatility in global financial markets, including equity, commodity, foreign exchange, and interest rate markets; as well as inflationary pressure across industries and increased economic uncertainty.

Refer to our [In depth](#) for more information on accounting and reporting for common direct and indirect impacts that may arise from the current or future geopolitical conflicts.

Not-for-profit

Our recent PwC’s [Not-for-Profit organization insights](#) is designed to help you navigate the accounting and reporting implications of recent standard setting developments. This resource offers a concise summary of the standards most relevant to not-for-profit (NFP) entities and provides insights into the potential impacts of adoption. Additionally, we highlight resources to help you stay informed on broader macroeconomic, geopolitical, and industry-specific developments that may affect your organization.

Higher education institutions also continue to face a growing number of challenges, including increased political and shifting public perceptions. The sector is likely to experience continued change driven by evolving research funding, declining international student enrollment, and changing compliance requirements. In response, colleges and universities are embracing transformation, closely managing budgets, and developing transparent plans to adapt to the current landscape. In the 2026 edition of [Perspectives in higher education](#), we not only highlight these items but also explore topics such as the expansive impact of artificial intelligence on institutions and the shifting landscape of accreditation, cyber threats and priorities, as well as our annual update on developments in Washington.

SEC Comment Letter trends

Current Period (4/1/2025 to 3/31/2026) ⁽¹⁾

1. Management’s Discussion and Analysis
2. Research and development
3. Revenue recognition
4. Segment reporting
5. Goodwill and other intangibles

Our analysis of SEC comment letters has been updated for letters made public through March 31, 2026. Please see the following [link](#) for a summary of the SEC comments for each Top 5 trend in Health Industries.

⁽¹⁾ This analysis was performed based on topical areas assigned by research firm Audit Analytics for comment letters publicly issued in the 12 months ended March 31, 2026 Current Period) and the 12 months ended April 1, 2025 (Prior Period) in relation to Form 10-K and Form 10-Q filings.

Replay

Health industries accounting and reporting hot topics webcast

Missed our June 16 Health Industries Accounting and Reporting webcast? Watch the replay to catch up on the latest accounting, reporting, and regulatory developments affecting the health industries. During the webcast, our specialists explored AI in healthcare, key accounting considerations including the disaggregation of income statement expenses, recent regulatory developments, FASB updates, and reporting reminders for not-for-profit organizations.

Watch now

Note: Watching the webcast replay is not eligible for CPE credit.

Thought leadership

Explore how the 2026 midterms could reshape U.S. healthcare policy, with implications for coverage, cost, and industry regulation.

Understand how shifting **global consumer behaviors** and powerful advances in AI are redefining healthcare and driving demand for more personalized, proactive care models.

Learn how proposed updates to the HIPAA Security Rule could reshape cybersecurity and compliance expectations across the healthcare sector. Explore the potential implications for providers, health plans, and business associates.

We also have featured publications **here** which offer deeper insights into the Health Industries sector.

Stay informed on the latest developments across healthcare with the *Next in Health* podcast. Explore the newest episodes and past conversations **here**.

