The government today said it is studying the report of an expert committee on healthcare, constituted by the Planning Commission, which if implemented will increase the public expenditure in the sector to 2.5% of GDP by the end of 12th Five Year Plan.

In the current Five Year Plan, the public expenditure on healthcare stands at 1.2%.

In a written reply in Lok Sabha, Minister of State for Planning Ashwani Kumar said the High Level Expert Group (HLEG) on universal health coverage constituted by the Planning Commission has given its recommendations.

"The report of the HLEG is under examination and recommendations approved by the government would be implemented in the 12th Five Year Plan (2012-17). The implementation of the proposed scheme will increase the public expenditure on health from the current level of 1.2% of GDP to 2.5% by the end of the 12th Plan," he said.

As per National Health Accounts, total health expenditure, including both public and private sectors, stood at 4.25% of the GDP in 2004-05.

The recommendations of the HLEG includes using general taxation as the principal source of health care financing.

"HLEG has stated that general taxation is the most viable option for mobilising resources to achieve the target of increasing public spending on health and creating mechanisms for financial protection," Kumar said.