A dataset of Patient Charges is given and from this dataset a clustering model is done by the help of KMeans Clustering after preprocessing and analysing the dataset

# Importing the libraries

```
import numpy as np
import matplotlib.pyplot as plt
import pandas as pd
import seaborn as sns
import plotly.figure_factory as figf
import plotly.graph_objs as gobj
from plotly.offline import download_plotlyjs, init_notebook_mode, plot, iplot
```

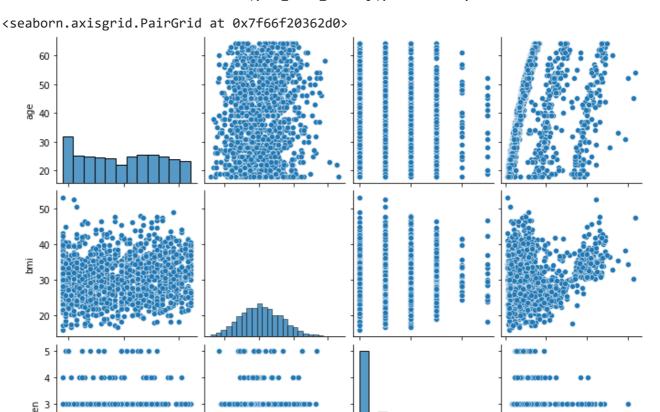
# Importing the dataset

```
dataset = pd.read_csv('insurance.csv')
X = dataset.iloc[:, 0:7].values
```

# Analysing the data

# All pairplots with all features

```
sns.pairplot(dataset.iloc[:,0:7])
```



# → All pairplots with different charges



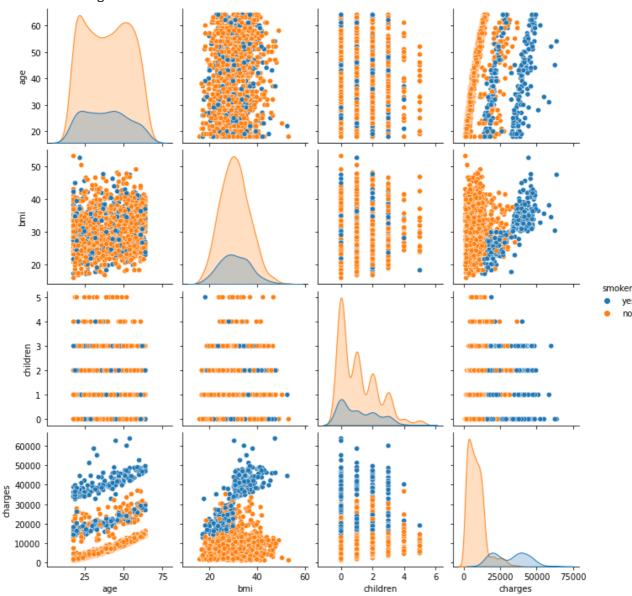
sns.pairplot(dataset.iloc[:,0:7],hue='charges')

<seaborn.axisgrid.PairGrid at 0x7f66ef043fd0>

# ▼ Pairplots with smoker or not smoker

sns.pairplot(dataset.iloc[:,0:7],hue='smoker')

<seaborn.axisgrid.PairGrid at 0x7f66ef227b50>



dataset.head()

	age	sex	bmi	children	smoker	region	charges
0	19	female	27.900	0	yes	southwest	16884.92400
1	18	male	33.770	1	no	southeast	1725.55230
2	28	male	33.000	3	no	southeast	4449.46200

#### dataset.dtypes

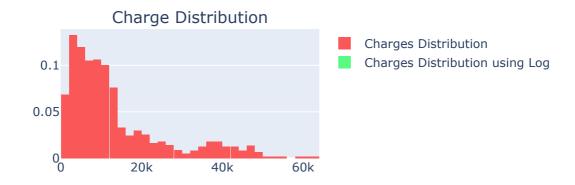
```
age int64
sex object
bmi float64
children int64
smoker object
region object
charges float64
dtype: object
```

# Medical charges probability distribution histogram of normal charge values and logarithmic values of charges

/usr/local/lib/python3.7/dist-packages/plotly/tools.py:465: DeprecationWarning:

plotly.tools.make\_subplots is deprecated, please use plotly.subplots.make\_subplots i

#### Charge Distribution



Log Charge Distribution

## Relationship between age and bmi

```
bmi = [dataset["bmi"].values.tolist()]
group_labels = ['Body Mass Index Distribution']

colors = ['#FA5858']

fig = figf.create_distplot(bmi, group_labels, colors=colors)
# Add title
fig['layout'].update(title='Normal Distribution <br>
iplot(fig, filename='Basic Distplot')
```

# Normal Distribution Central Limit Theorem Condition



# Corelation heatmap of the given features

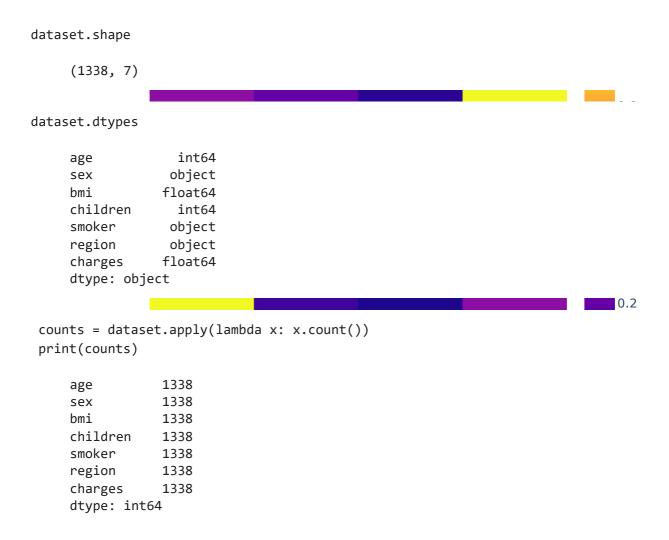
```
corr = dataset.corr()

hm = gobj.Heatmap(
    z=corr.values,
    x=corr.index.values.tolist(),
    y=corr.index.values.tolist(),
)

data = [hm]
layout = gobj.Layout(title="Correlation Heatmap")

fig = dict(data=data, layout=layout)
iplot(fig, filename='labelled-heatmap')
```

#### **Correlation Heatmap**



▼ Encoding the categorical column(smoker column)

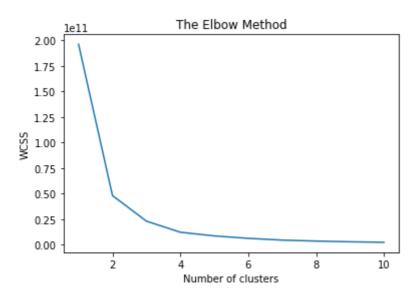
```
from sklearn.preprocessing import LabelEncoder
le=LabelEncoder()
X[:,4]=le.fit_transform(dataset.iloc[:,4].values)
print(X[:,4])

[1 0 0 ... 0 0 1]
```

# - Clustering

- bmi vs charges clustering
- ▼ Using the elbow method to find the optimal number of clusters

```
clust=dataset.iloc[:,[2,6]].values
print(clust)
     [[2.79000000e+01 1.68849240e+04]
      [3.37700000e+01 1.72555230e+03]
      [3.30000000e+01 4.44946200e+03]
      [3.68500000e+01 1.62983350e+03]
      [2.58000000e+01 2.00794500e+03]
      [2.90700000e+01 2.91413603e+04]]
from sklearn.cluster import KMeans
wcss = []
for i in range(1, 11):
    kmeans = KMeans(n_clusters = i, init = 'k-means++', random_state = 42)
    kmeans.fit(clust)
    wcss.append(kmeans.inertia_)
plt.plot(range(1, 11), wcss)
plt.title('The Elbow Method')
plt.xlabel('Number of clusters')
plt.ylabel('WCSS')
plt.show()
```



## Training the K-Means model on the dataset

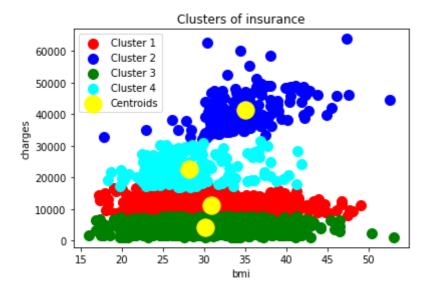
```
kmeans = KMeans(n_clusters = 4, init = 'k-means++', random_state = 42)
y_kmeans = kmeans.fit_predict(clust)
print(y_kmeans)

[0 2 2 ... 2 2 3]
```

## Visualising the clusters

```
plt.scatter(clust[y_kmeans == 0, 0], clust[y_kmeans == 0, 1], s = 100, c = 'red', label =
plt.scatter(clust[y_kmeans == 1, 0], clust[y_kmeans == 1, 1], s = 100, c = 'blue', label =
plt.scatter(clust[y_kmeans == 2, 0], clust[y_kmeans == 2, 1], s = 100, c = 'green', label
plt.scatter(clust[y_kmeans == 3, 0], clust[y_kmeans == 3, 1], s = 100, c = 'cyan', label =

plt.scatter(kmeans.cluster_centers_[:, 0], kmeans.cluster_centers_[:, 1], s = 300, c = 'ye
plt.title('Clusters of insurance')
plt.xlabel('bmi')
plt.ylabel('charges')
plt.legend()
plt.show()
```

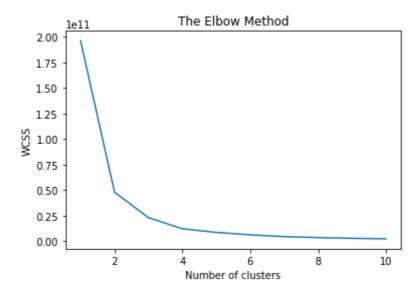


**Conclusion**: for a perticular interval of charges quantity there are same clusters for all bmi

- Age vs charges clustering
- Using the elbow method to find the optimal number of clusters

```
clust=dataset.iloc[:,[0,6]].values

from sklearn.cluster import KMeans
wcss = []
for i in range(1, 11):
    kmeans = KMeans(n_clusters = i, init = 'k-means++', random_state = 42)
    kmeans.fit(clust)
    wcss.append(kmeans.inertia_)
plt.plot(range(1, 11), wcss)
plt.title('The Elbow Method')
plt.xlabel('Number of clusters')
plt.ylabel('WCSS')
plt.show()
```



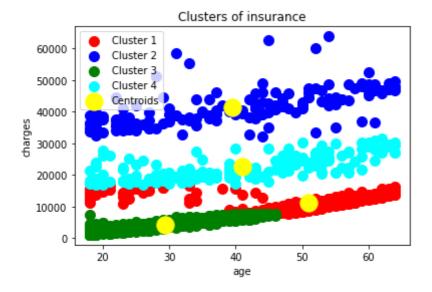
## Training the K-Means model on the dataset

```
kmeans = KMeans(n_clusters = 4, init = 'k-means++', random_state = 42)
y_kmeans = kmeans.fit_predict(clust)
```

### Visualising the clusters

```
plt.scatter(clust[y_kmeans == 0, 0], clust[y_kmeans == 0, 1], s = 100, c = 'red', label =
plt.scatter(clust[y_kmeans == 1, 0], clust[y_kmeans == 1, 1], s = 100, c = 'blue', label =
plt.scatter(clust[y_kmeans == 2, 0], clust[y_kmeans == 2, 1], s = 100, c = 'green', label
plt.scatter(clust[y_kmeans == 3, 0], clust[y_kmeans == 3, 1], s = 100, c = 'cyan', label =

plt.scatter(kmeans.cluster_centers_[:, 0], kmeans.cluster_centers_[:, 1], s = 300, c = 'ye
plt.title('Clusters of insurance')
plt.xlabel('age')
plt.ylabel('charges')
plt.legend()
plt.show()
```

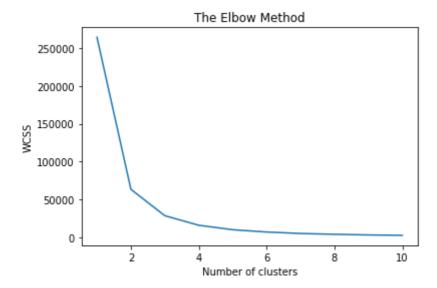


**Conclusion**: for higher charges, for a perticular interval of charges quantity, there are same clusters for all ages. But in case of lower charges, there are two clusters one cluster is upto approximately 47 years and another one is greater than 47 years

- Children vs charges clustering
- ▼ Using the elbow method to find the optimal number of clusters

```
clust=dataset.iloc[:,[3,6]].values

from sklearn.cluster import KMeans
wcss = []
for i in range(1, 11):
    kmeans = KMeans(n_clusters = i, init = 'k-means++', random_state = 42)
    kmeans.fit(clust)
    wcss.append(kmeans.inertia_)
plt.plot(range(1, 11), wcss)
plt.title('The Elbow Method')
plt.xlabel('Number of clusters')
plt.ylabel('WCSS')
plt.show()
```



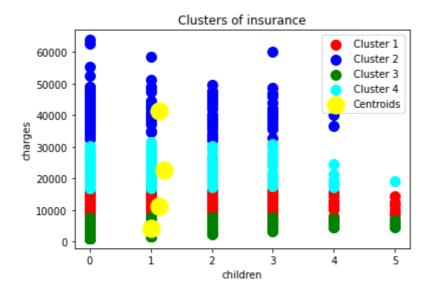
Training the K-Means model on the dataset

```
kmeans = KMeans(n_clusters = 4, init = 'k-means++', random_state = 42)
y_kmeans = kmeans.fit_predict(clust)
```

### Visualising the clusters

```
plt.scatter(clust[y_kmeans == 0, 0], clust[y_kmeans == 0, 1], s = 100, c = 'red', label =
plt.scatter(clust[y_kmeans == 1, 0], clust[y_kmeans == 1, 1], s = 100, c = 'blue', label =
plt.scatter(clust[y_kmeans == 2, 0], clust[y_kmeans == 2, 1], s = 100, c = 'green', label
plt.scatter(clust[y_kmeans == 3, 0], clust[y_kmeans == 3, 1], s = 100, c = 'cyan', label =

plt.scatter(kmeans.cluster_centers_[:, 0], kmeans.cluster_centers_[:, 1], s = 300, c = 'ye
plt.title('Clusters of insurance')
plt.xlabel('children')
plt.ylabel('charges')
plt.legend()
plt.show()
```

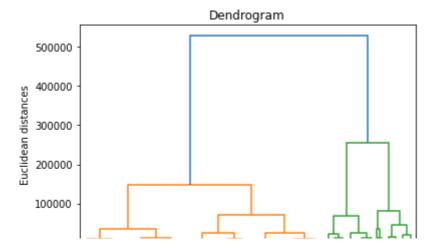


# Checking of Hierarchical clustering for this dataset (is it suitable or not for this dataset)

Dendogram to find the optimal number of clusters

```
clust=dataset.iloc[:,[3,6]].values

import scipy.cluster.hierarchy as sch
dendrogram = sch.dendrogram(sch.linkage(clust, method = 'ward'))
plt.title('Dendrogram')
plt.xlabel('patients')
plt.ylabel('Euclidean distances')
plt.show()
```



Trainning the Hierarchical clustering model on the data set children vs charges

```
from sklearn.cluster import AgglomerativeClustering
hc = AgglomerativeClustering(n_clusters = 2, affinity = 'euclidean', linkage = 'ward')
y_hc = hc.fit_predict(clust)
```

**Conclusion**: The optimal number of clusters calculated from the Hierarchical clustering is 2 but that is calculated fron KMeans is 4.but the number of clusters is 2 is not the optimal for this dataset. So we can say from the above calculation that the KMeans clustering is better than Hierarchical clustering for a large dataset.

Age vs smoker clustering

```
clust=dataset.iloc[:,[0,4]].values
```

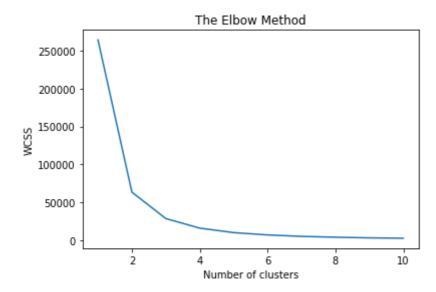
Encoding the categorical column smoker

```
from sklearn.preprocessing import LabelEncoder
le=LabelEncoder()
clust[:,1]=le.fit_transform(clust[:,1])
print(clust[:,1])

[1 0 0 ... 0 0 1]
```

▼ Using the elbow method to find the optimal number of clusters

```
from sklearn.cluster import KMeans
wcss = []
for i in range(1, 11):
    kmeans = KMeans(n_clusters = i, init = 'k-means++', random_state = 42)
    kmeans.fit(clust)
    wcss.append(kmeans.inertia_)
plt.plot(range(1, 11), wcss)
plt.title('The Elbow Method')
plt.xlabel('Number of clusters')
plt.ylabel('WCSS')
plt.show()
```



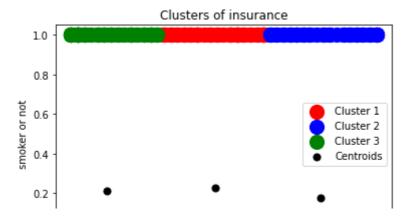
## Training the K-Means model on the dataset

```
kmeans = KMeans(n_clusters = 3, init = 'k-means++', random_state = 42)
y_kmeans = kmeans.fit_predict(clust)
```

## Visualising the clusters

```
plt.scatter(clust[y_kmeans == 0, 0], clust[y_kmeans == 0, 1], s = 200, c = 'red', label =
plt.scatter(clust[y_kmeans == 1, 0], clust[y_kmeans == 1, 1], s = 200, c = 'blue', label =
plt.scatter(clust[y_kmeans == 2, 0], clust[y_kmeans == 2, 1], s = 200, c = 'green', label

plt.scatter(kmeans.cluster_centers_[:, 0], kmeans.cluster_centers_[:, 1], s = 50, c = 'blace
plt.title('Clusters of insurance')
plt.xlabel('ages')
plt.ylabel('smoker or not')
plt.legend()
plt.show()
```



**conclusion**: the number of smokers at the age of approximately 32 to 48 is the greatest as the centroid of the cluster is at the heighest position along smoker or not axis among the all. and the number of smokers above 48 years old is the least among all.

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X