

PROJECT REPORT

Project Title:

**ESTIMATION AND PREDICTION OF
HOSPITALIZATION AND MEDICAL CARE COSTS.**

Team ID : LTVIP2023TMID07743

Team Size : 3

Team Leader : PAINENI PRAVEEN KUMAR

Team Member : PALUTLA BABY LASYA

Team Member : CHINTHAKUNTA SUDARSAN REDDY

Faculty Mentor :

1.INTRODUCTION

1.1 OVERVIEW:

Estimation and prediction of hospitalization and medical care costs is a crucial aspect of healthcare planning and management. This process involves analyzing historical data, patient demographics, medical conditions and treatment outcomes to make informed projections about future healthcare expenses. By understanding these costs, healthcare providers, policymakers and insurers can allocate resources effectively and plan for potential financial challenges.

Accurate estimation and prediction of hospitalization and medical care costs are vital for creating sustainable and accessible healthcare systems, ensuring patients receive necessary care while controlling expenses.

➤ **Data Collection and Preprocessing:**

A comprehensive dataset was collected from **kaggle**. Which includes **age, sex, region, charges, smoker, BMI**. The collected data underwent thorough preprocessing to handle missing values, remove inconsistencies, and ensure data quality.

➤ **Exploratory Data Analysis (EDA):**

EDA was conducted to gain a deep understanding of the dataset By using **IBM COGNOS ANALYTICS** Tool. Visualizations and summary statistics helped in understanding the characteristics of the data and guided further analysis.

➤ **Creating a Flask web application:**

For Estimation and Prediction of Hospitalization and Medical Care Costs data involves building an interface where We can input relevant information, and the application will use the predictive model to estimate the medical care costs.

1.2 PURPOSE

The purpose of the Estimation and Prediction of Hospitalization and Medical Care Costs project is to provide valuable insights and support decision-making in the healthcare sector. By developing predictive models to estimate and forecast hospitalization and medical care costs, the project aims to achieve several important goals:

- Cost Optimization
- Improved Financial Planning

- Transparency and Informed Decision-making
- Enhanced Patient Care
- Tailored Insurance Coverage
- Health Care System Performance
- Data-Driven Decision Making

Through accurate estimation and prediction of hospitalization and medical care costs, the project contributes to the broader goal of achieving a more sustainable and efficient healthcare system that benefits both healthcare providers and patients alike.

2.LITERATURE SURVEY

Medical costs are one of the most common recurring expenses in a person's life. Based on different research studies, BMI, ageing, smoking and other factors are all related to greater personal medical care costs. The estimates of the expenditures of health care related to obesity are needed to help create cost-effective obesity prevention strategies. Obesity prevention at a young age is a top concern in global health, clinical practice, and public health. To avoid these restrictions, genetic variants are employed as instrumental variables in this research. Using statistics from public huge datasets, the impact of body mass index (**BMI**) on overall healthcare expenses is predicted.

A multiview learning architecture can be used to leverage BMI information in records, including diagnostic texts, diagnostic IDs and patient traits. A hierarchy perception structure was suggested to choose significant words, health checks, and diagnoses for training phase informative data representations, because various words, diagnoses and previous health care have varying significance for expense calculation. In this system model, linear regression analysis, naive Bayes classifier and random forest algorithms were compared using a business analytic method that applied statistical and machine-learning approaches. According to the results of our forecasting method, linear regression has the maximum accuracy of **97.89** percent in forecasting overall healthcare costs. In terms of financial statistics, our methodology provides a predictive method.

2.1 Existing problem:

Solving the Estimation and Prediction of Hospitalization and Medical Care Costs involves a systematic approach that combines data analysis, model development and evaluation.

2.2 PROPOSED SOLUTION

Proposing a solution for the estimation and prediction of hospitalization and medical care costs involves a combination of data-driven techniques, advanced analytics, and domain expertise. Collect comprehensive and diverse data related to hospitalization and medical care costs from various sources, including electronic health records, insurance claims, and administrative databases.

The success of the proposed solution depends on the availability of quality data, collaboration with healthcare experts, and a commitment to continuous improvement based on real-world feedback. Healthcare cost estimation and prediction are complex tasks, and a multidisciplinary approach is crucial for achieving accurate and reliable results.

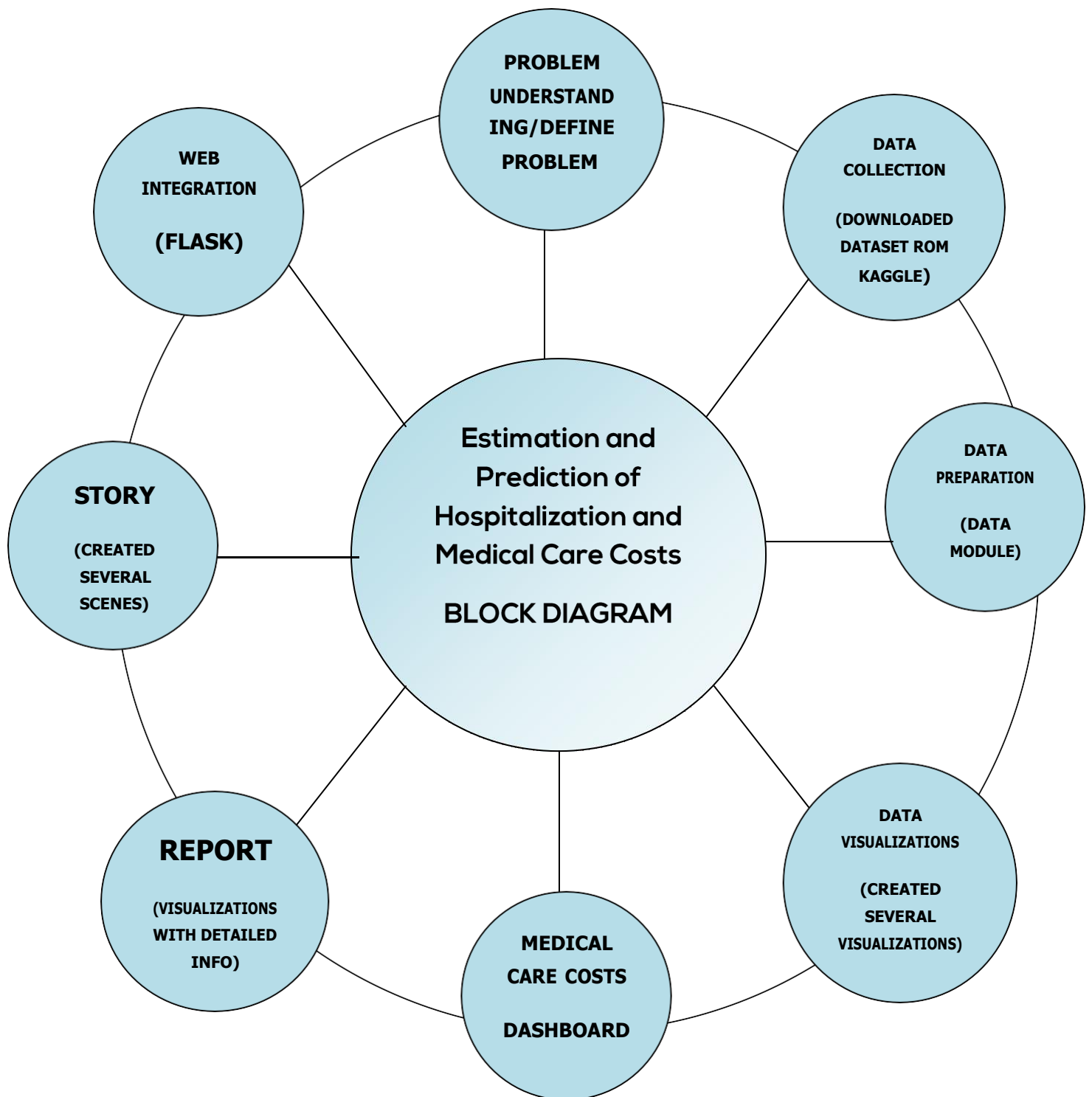
3. THEORETICAL ANALYSIS

BLOCK DIAGRAM:

The block diagram illustrates the end-to-end process of estimating and predicting hospitalization and medical care costs, starting from data collection and preprocessing to deploying the final models for cost estimation and future cost prediction.

Estimation and Prediction of Hospitalization and Medical Care Costs

BLOCK DIAGRAM



3.2 SOFTWARE OR HARDWARE DESIGNING

SOFTWARE REQUIREMENTS:

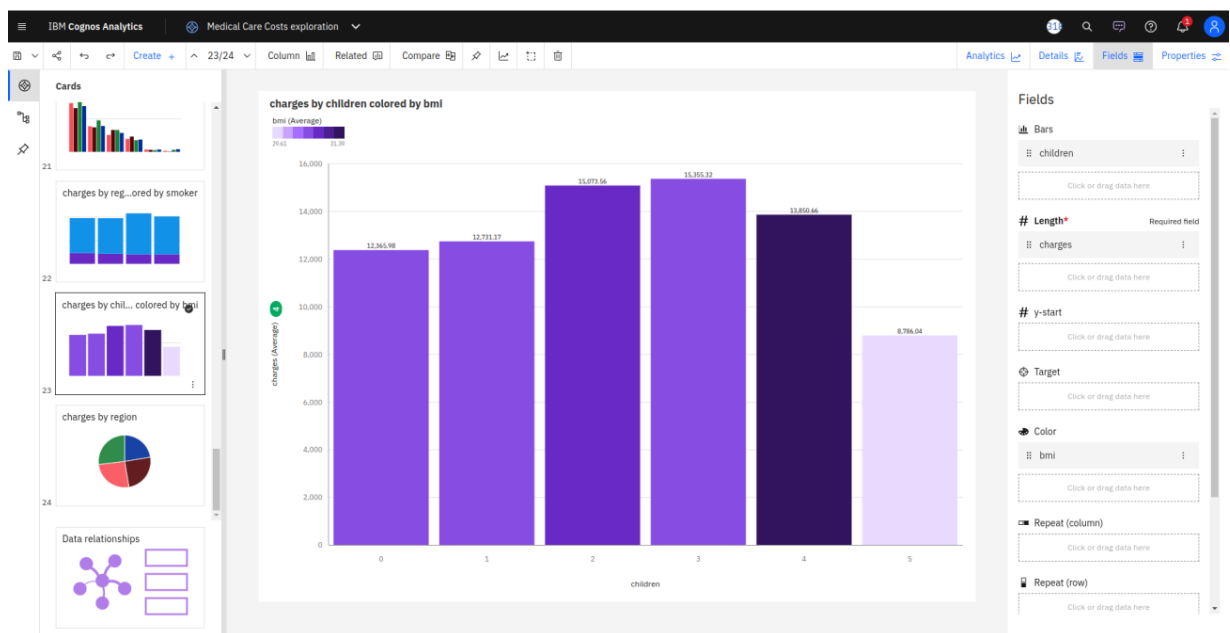
- IBM Cognos Analytics
- Flask
- Integrated Development Environment(IDE)–Spyder

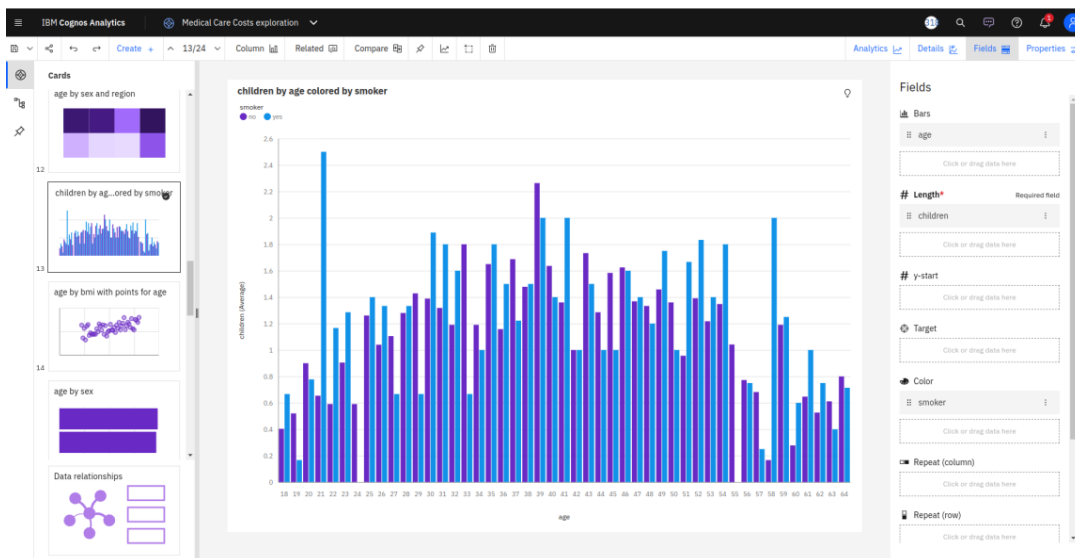
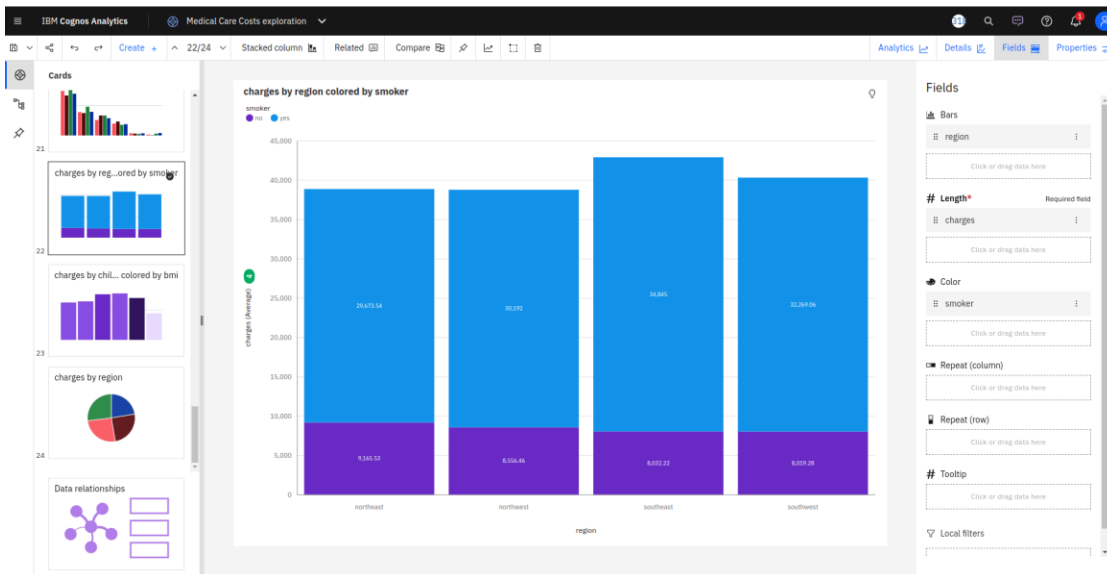
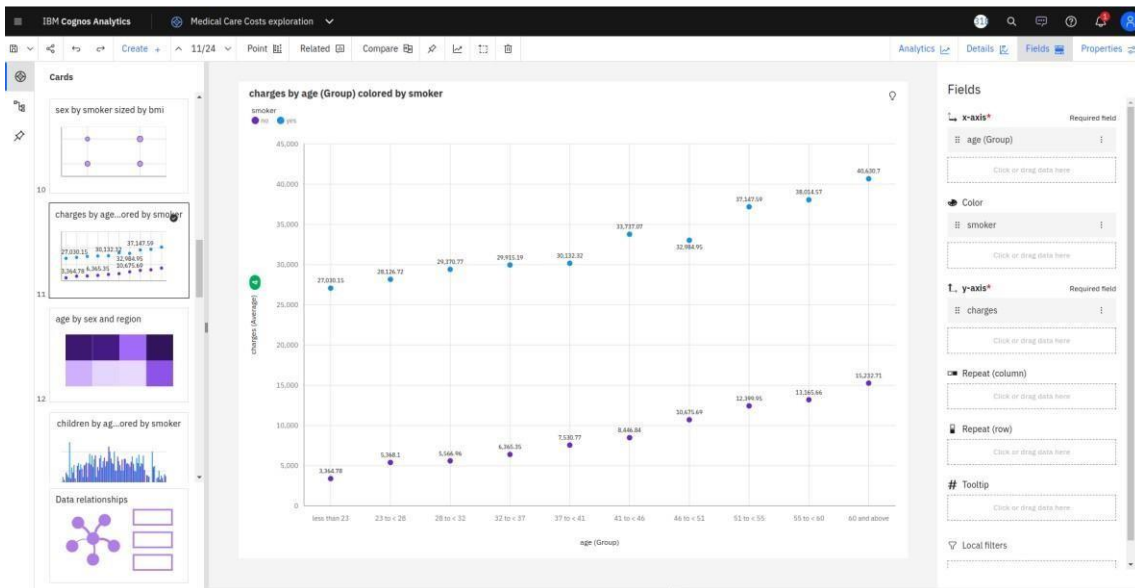
HARDWARE REQUIREMENTS:

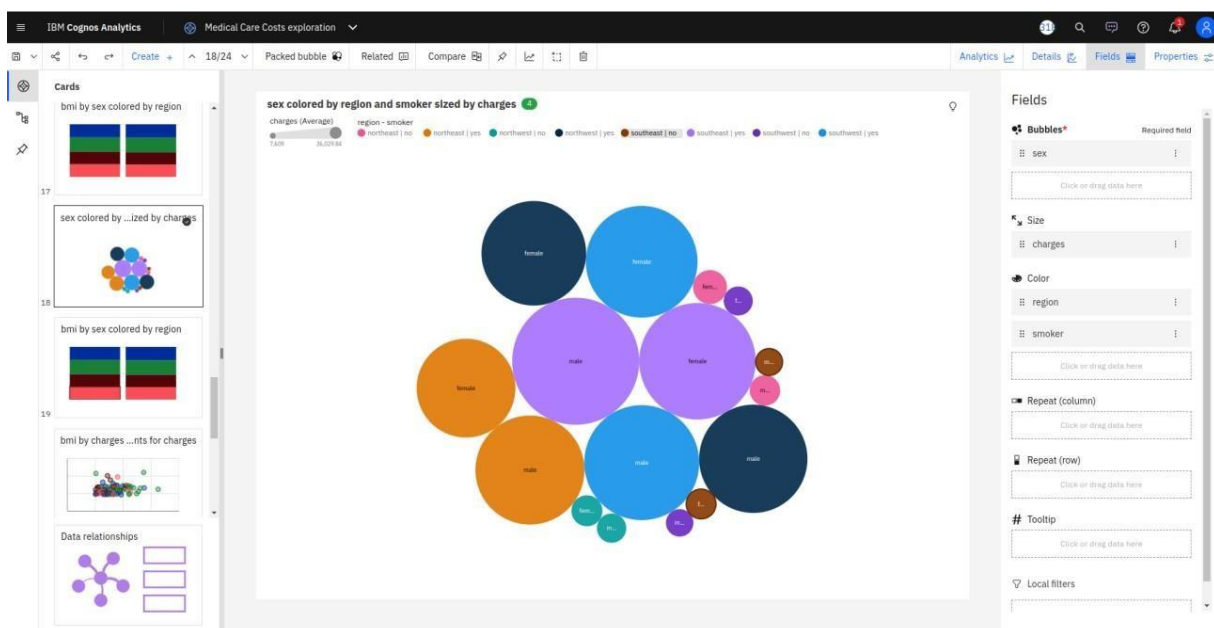
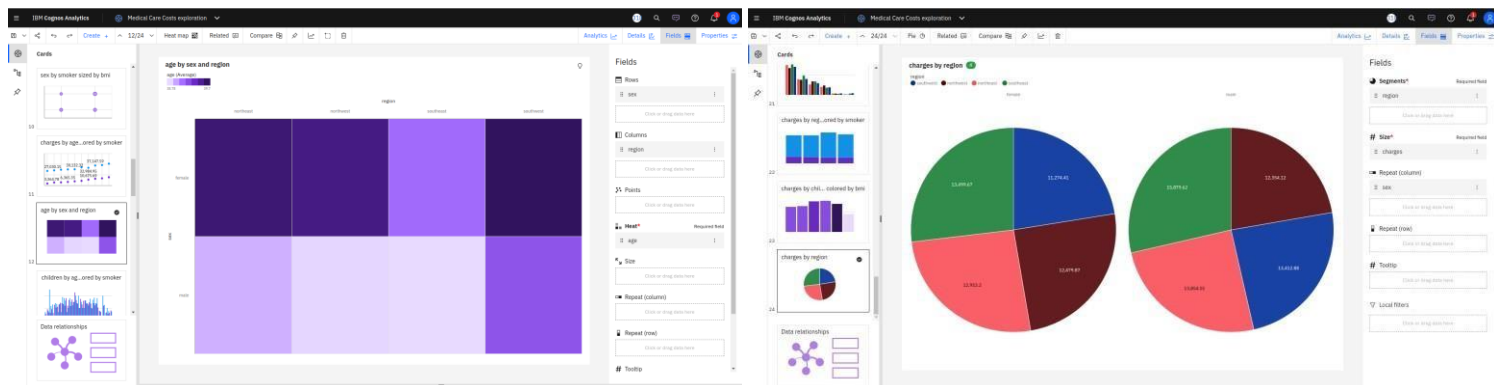
- Minimum System Requirements(RAM–4GB,Quad Core Processor Or Above)

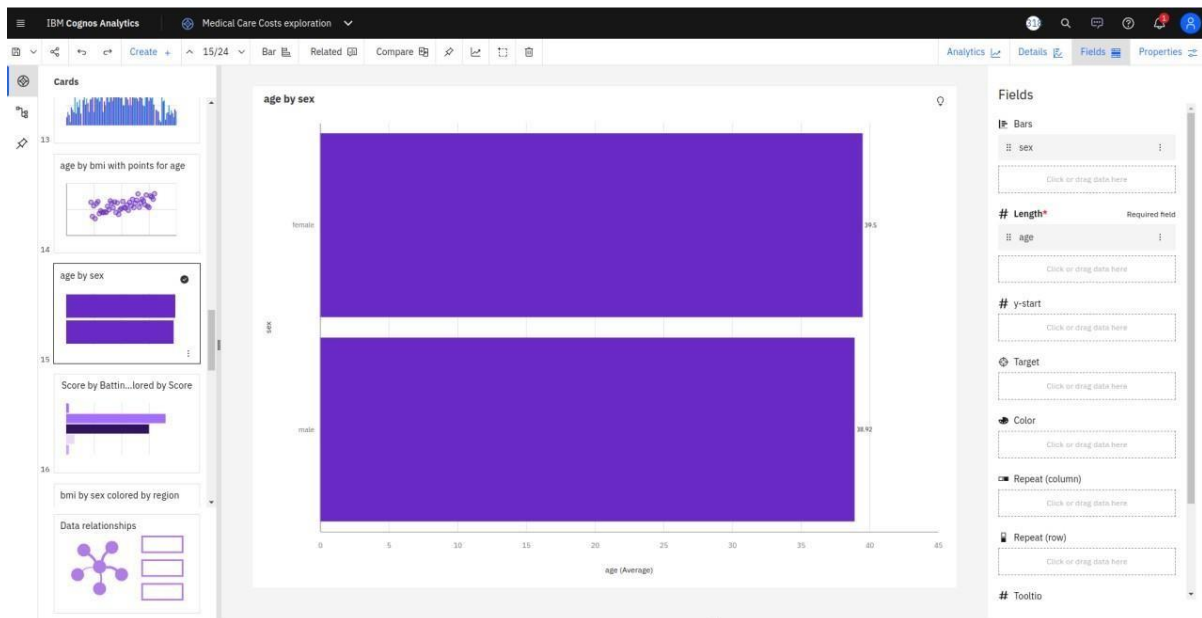
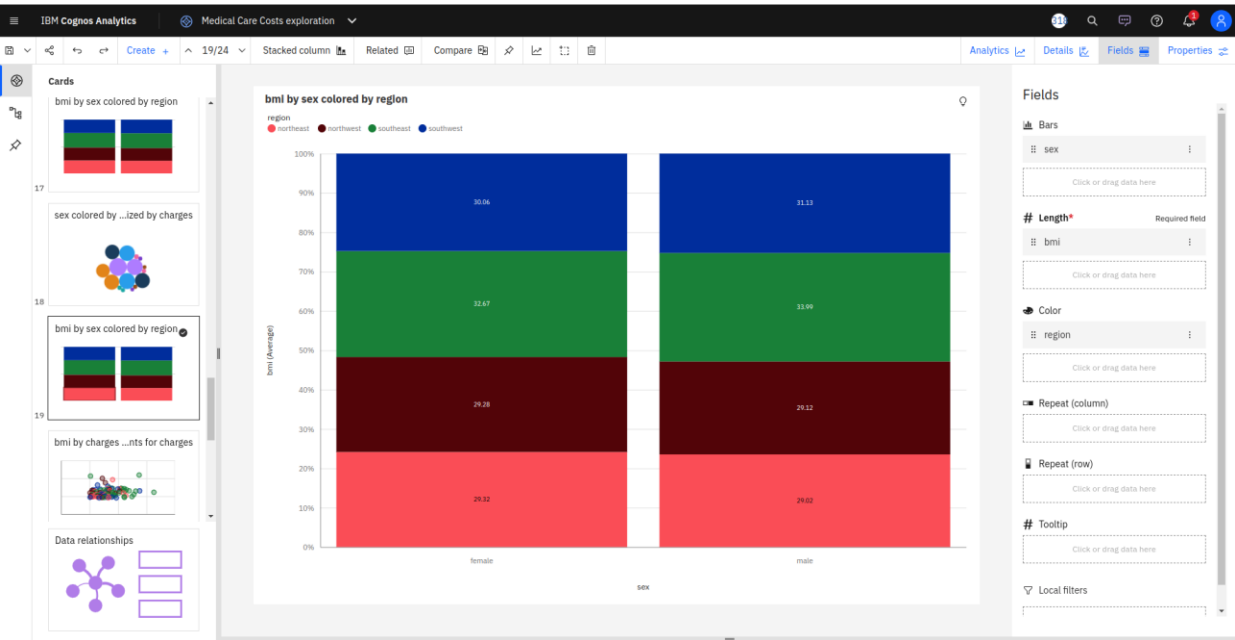
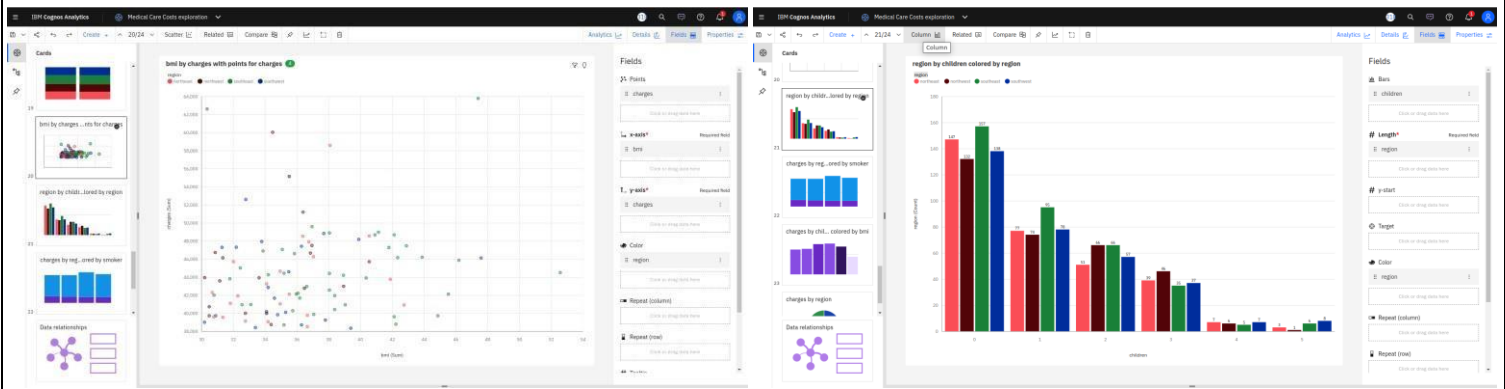
4.RESULT:

DATA VISUALIZATIONS

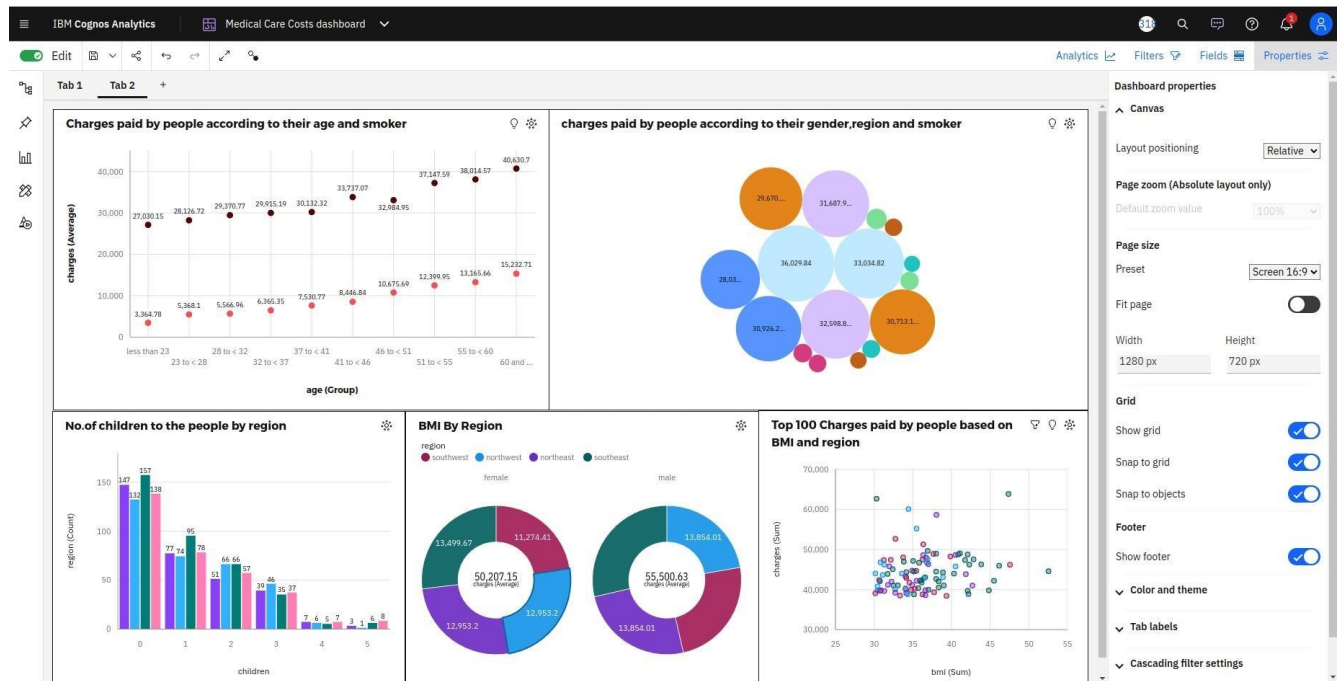
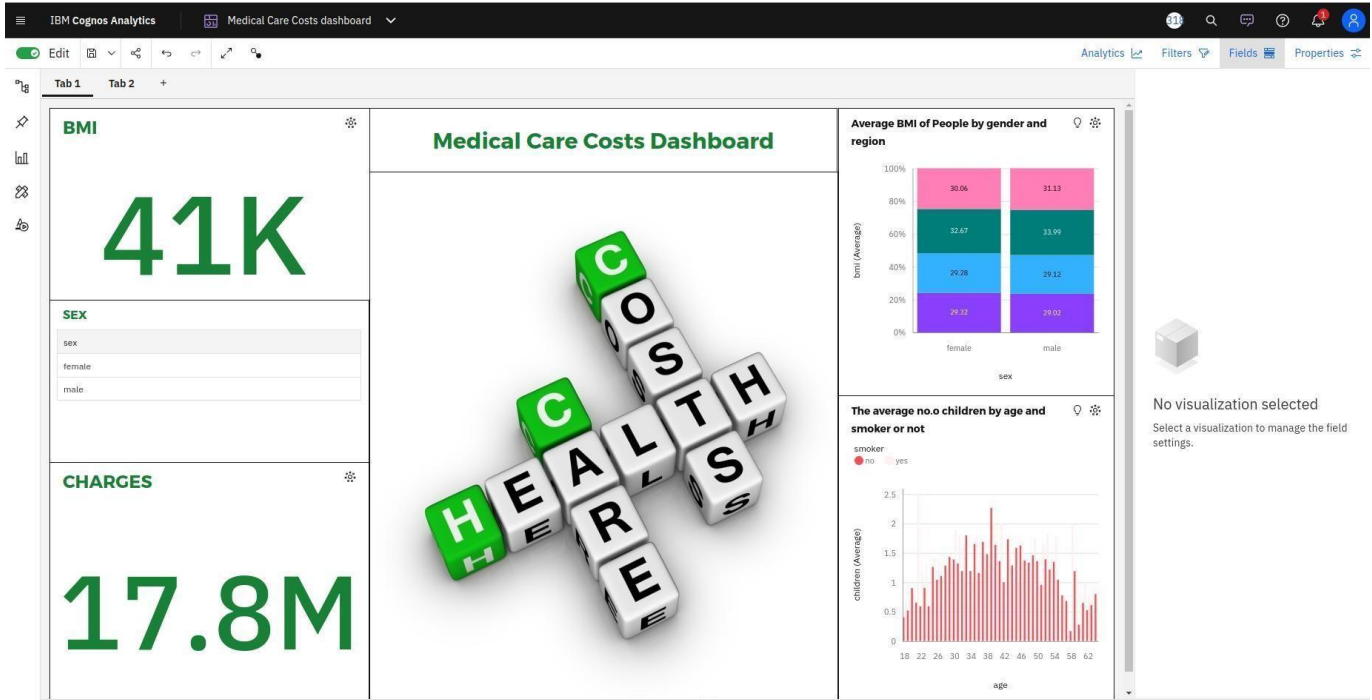




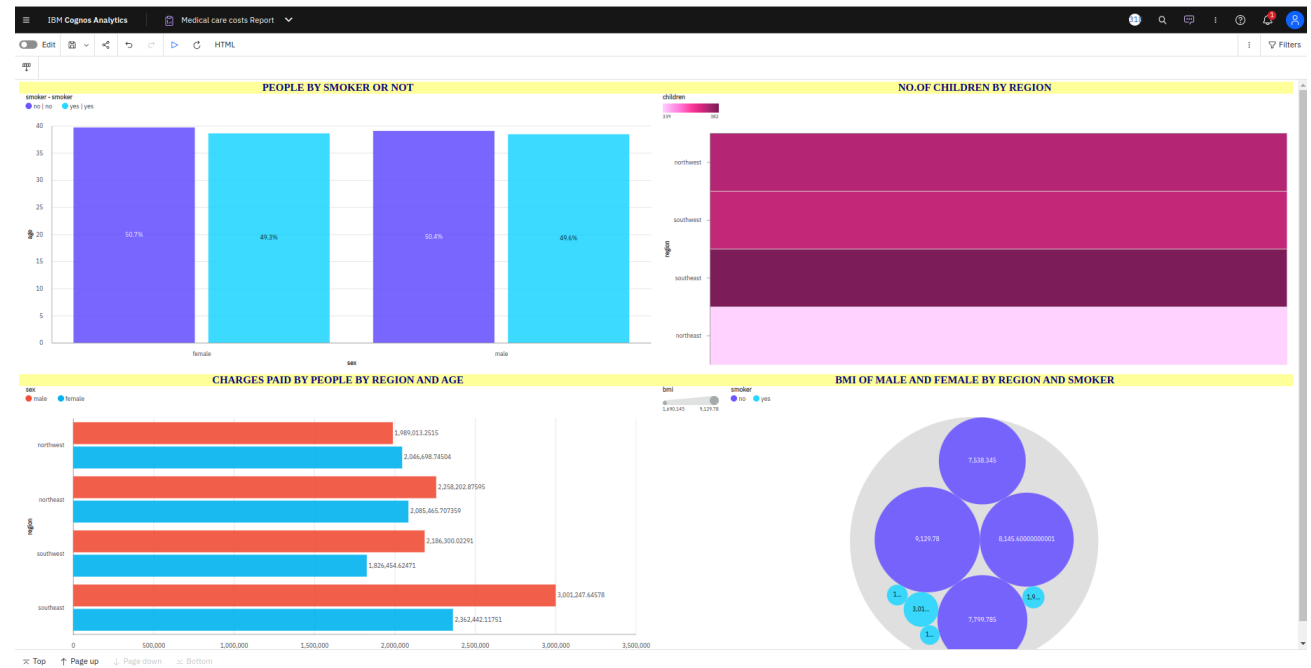
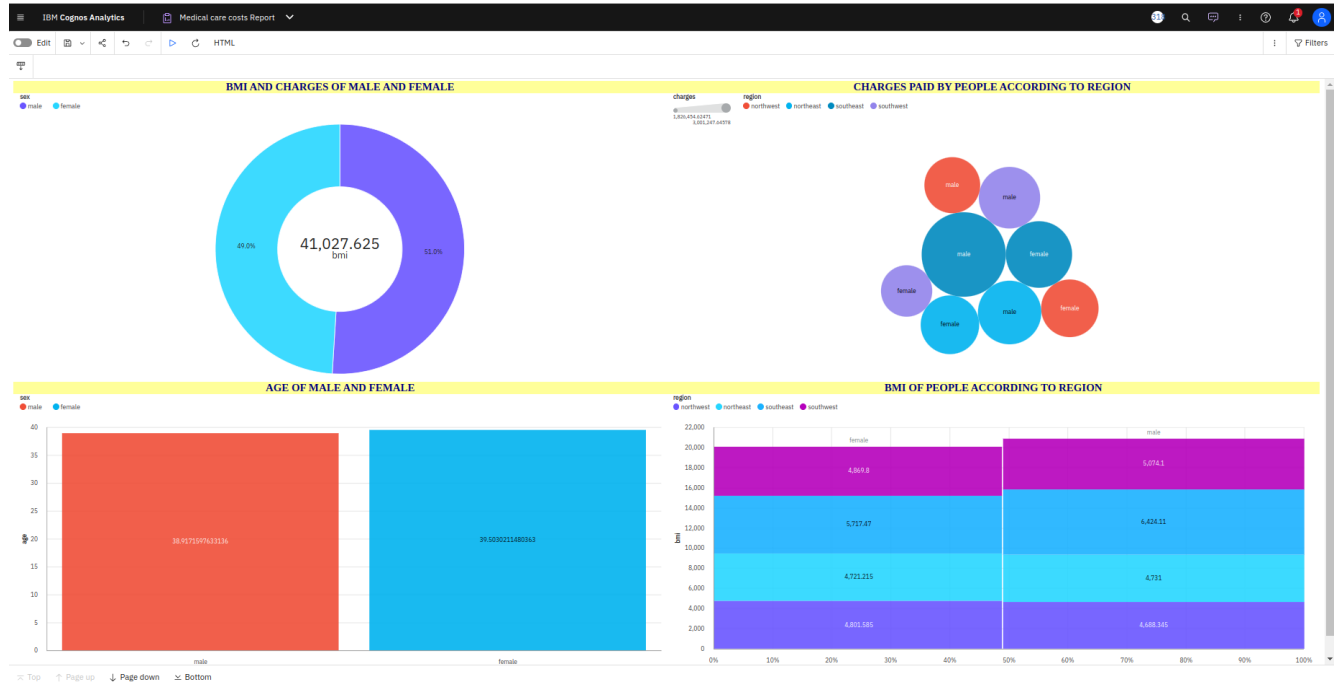




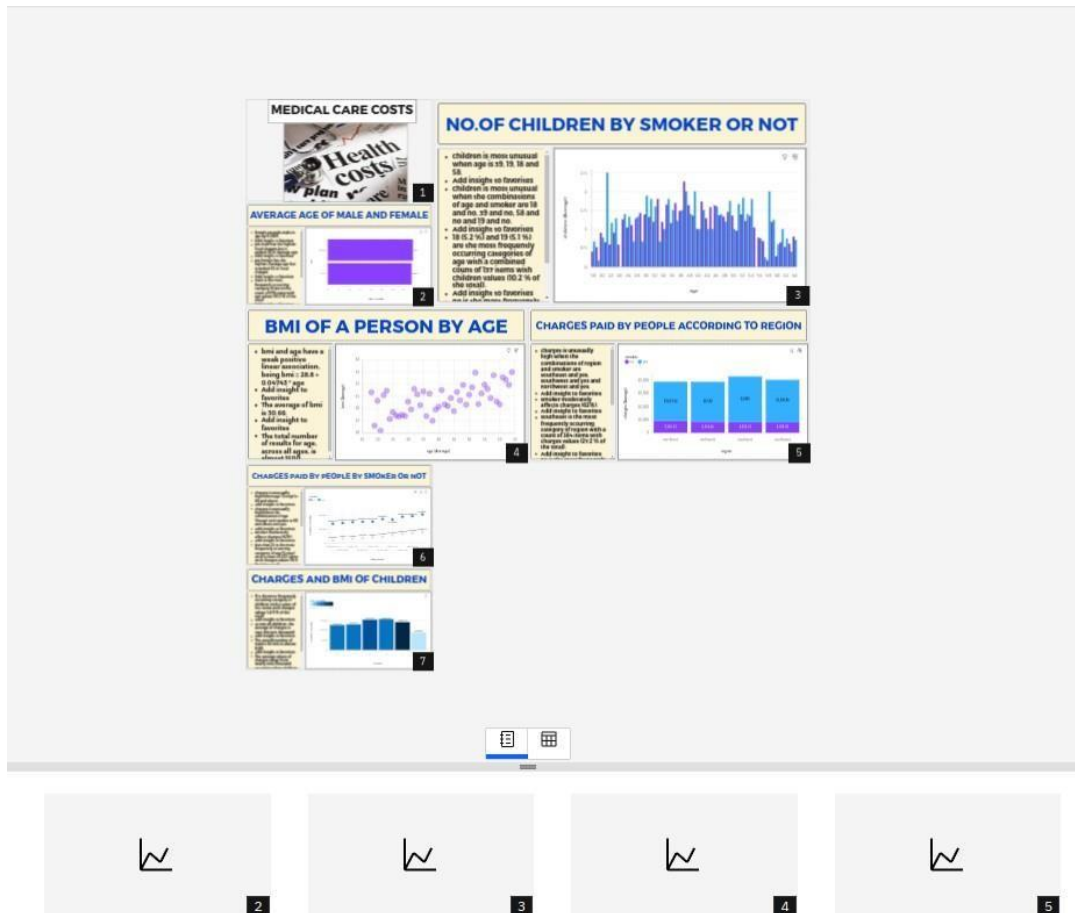
DASHBOARD



REPORT

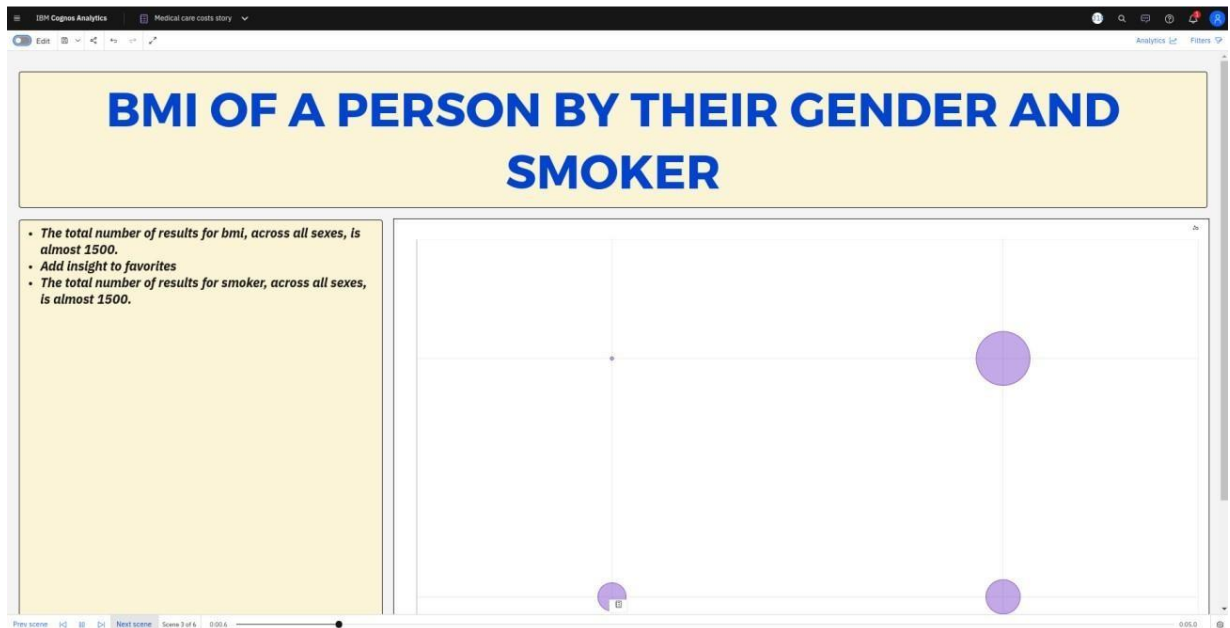
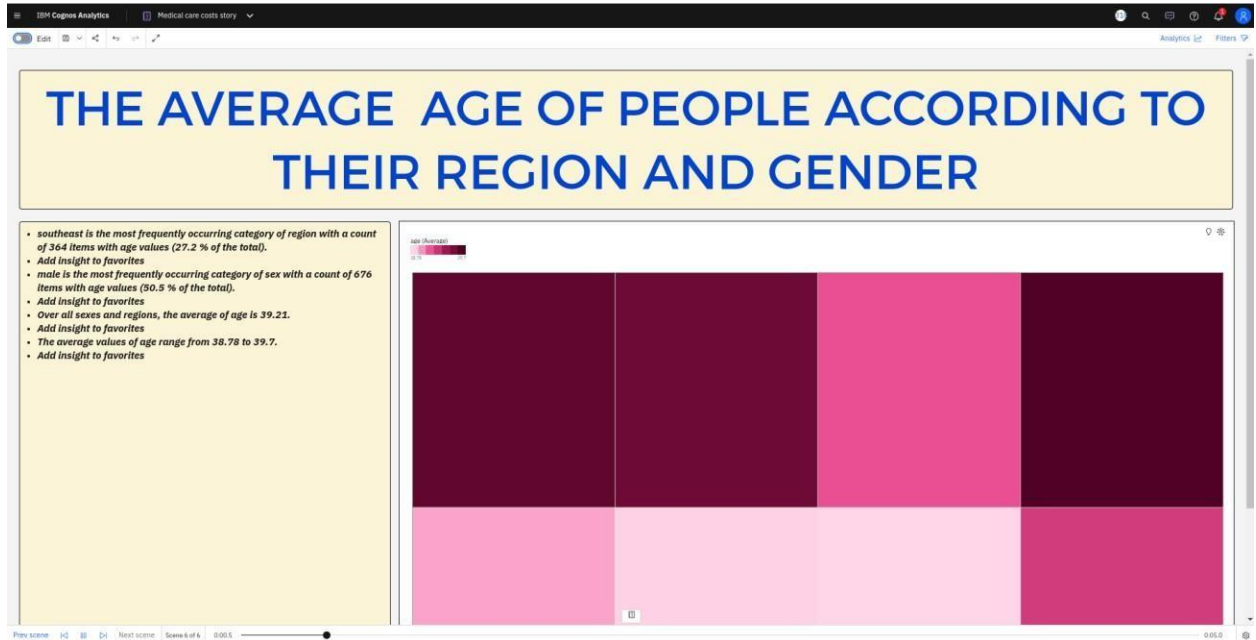
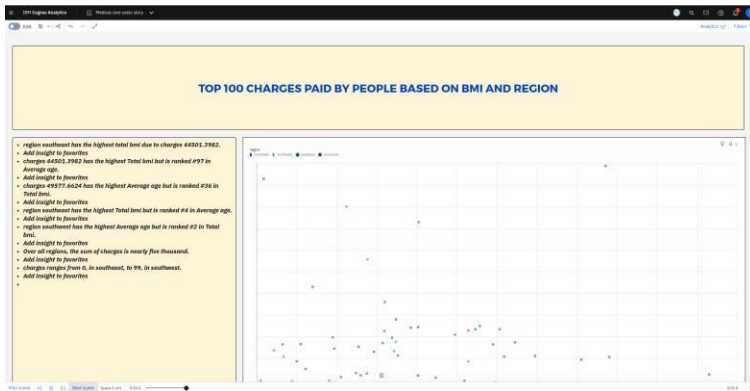


STORY(GUIDED JOURNEY)



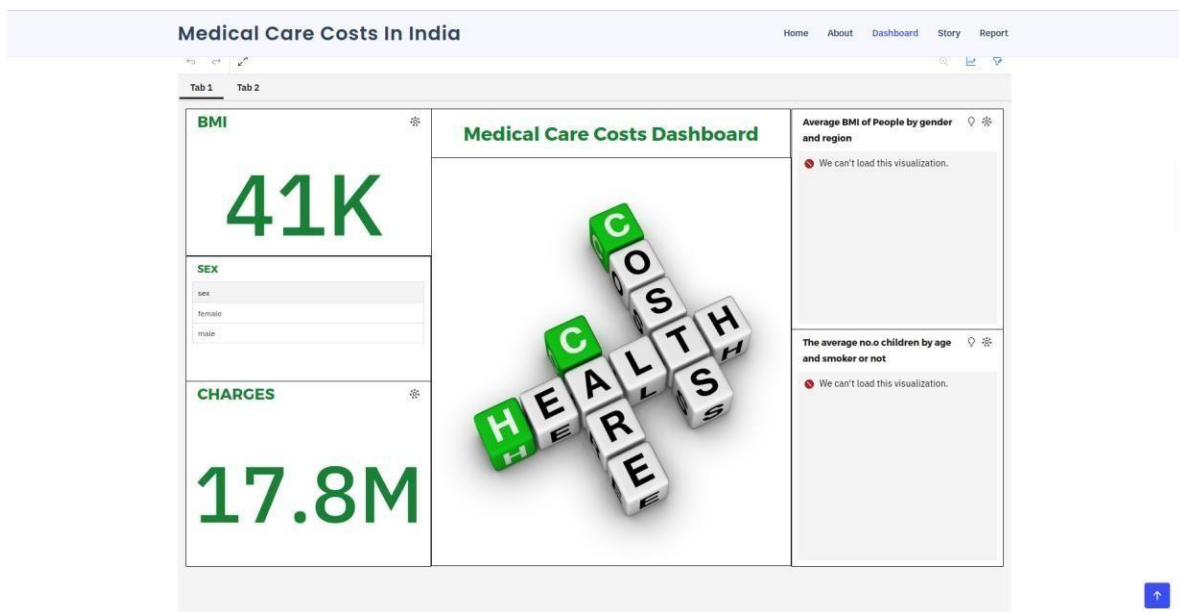
SLIDESHOW STORY





WEB INTEGRATION





5.ADVANTAGES

- Cost Optimization
- Informed Decision-making
- Improved Patient Care
- Tailored Insurance Coverage
- Fraud Detection
- Research and Policy Development

DISADVANTAGES:

- Data Privacy Concerns
- Data Quality
- Model Complexity
- Limited Predictability
- Ethical Considerations
- Overemphasis on Costs

6.APPLICATIONS:

The Estimation and Prediction of Hospitalization and Medical Care Costs project has several valuable applications in the healthcare industry and beyond.

- Healthcare Cost Management
- Financial Planning
- Insurance Pricing and Coverage
- Resource Allocation
- Treatment Decision Support
- Patient Cost Transparency
- Policy Development
- Fraud Detection
- Benchmarking and Performance
- Research and Public Health

- Cost-Effective Healthcare Programs
- Long-Term Cost Control

7.CONCLUSION:

In conclusion, the Estimation and Prediction of Hospitalization and Medical Care Costs project holds significant value and potential for the healthcare industry. By leveraging data analytics, exploratory data analysis, the project aims to achieve several important outcomes.

8.FUTURE SCOPE:

The future scope of the Estimation and Prediction of Hospitalization and Medical Care Costs project is vast and holds great potential in transforming the healthcare industry.

Overall, the future scope of the Estimation and Prediction of Hospitalization and Medical Care Costs project is dynamic and transformative. As technology continues to evolve and data-driven decision-making becomes increasingly prevalent, the project's applications have the potential to revolutionize healthcare cost management, resource allocation, and patient care on a global scale.