

US Medical Insurance Costs Analysis

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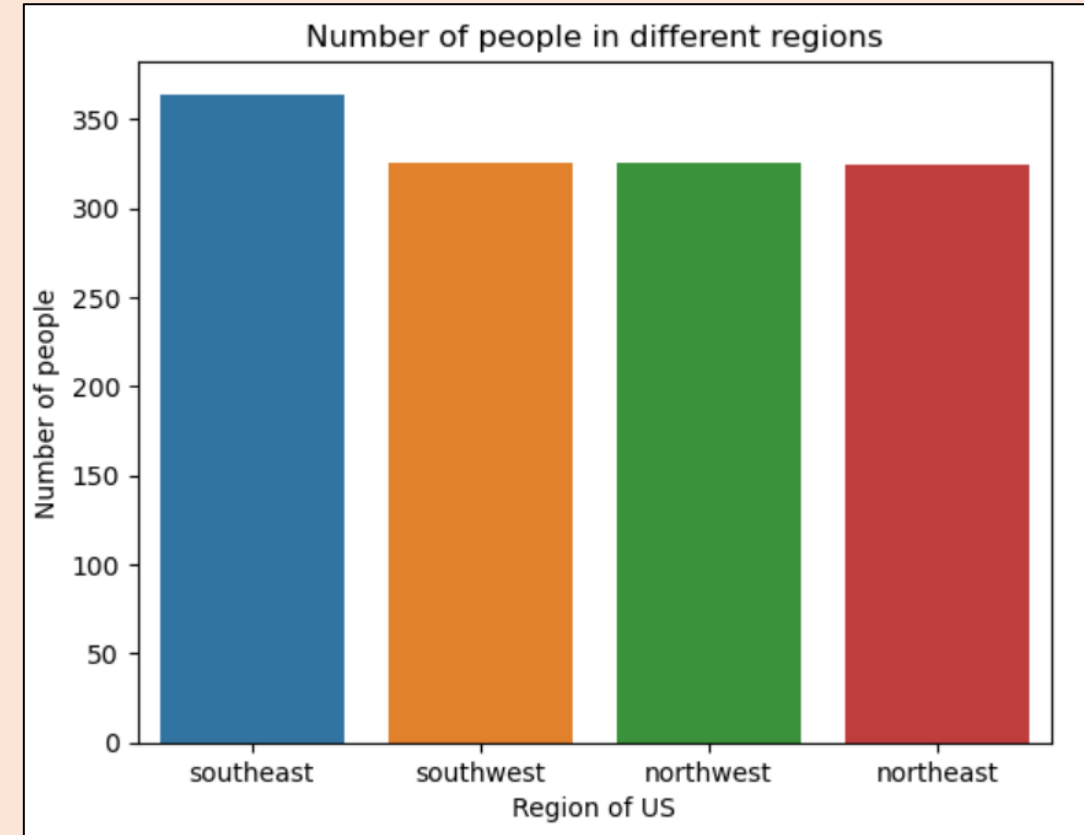


Executive Summary

- Males are generally paying more for insurance than females
- Smoking status has a huge impact on the insurance cost
- Individuals in the Southeast have generally the highest insurance costs
- Individuals with 3 children have the most expensive insurance

Dataset background

- There are 1338 people in the dataset (676 males, 662 females)
- Most people are from the Southeast
- The average age of the participants is 39.21 years
- Average insurance cost is \$13,270 as opposed to a median cost of \$9,382

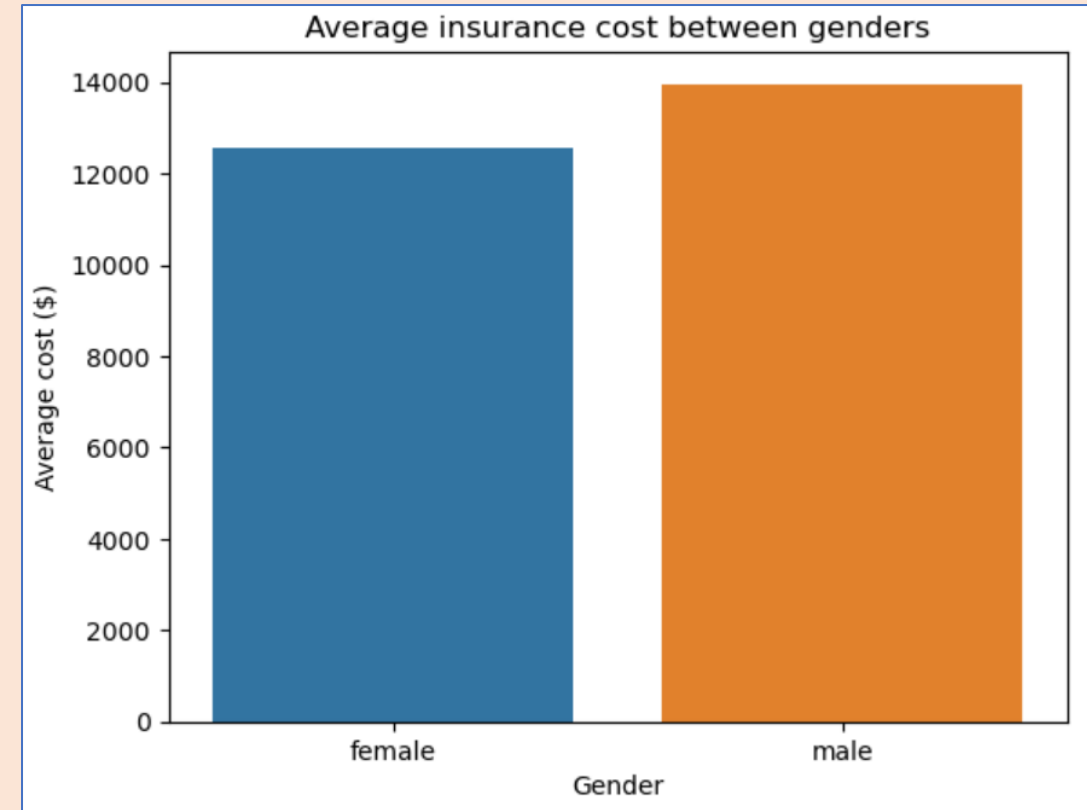


How do the costs vary by gender?

- Males generally have more expensive insurance than females
- A reason could be there are more male smokers (more on smoking later)

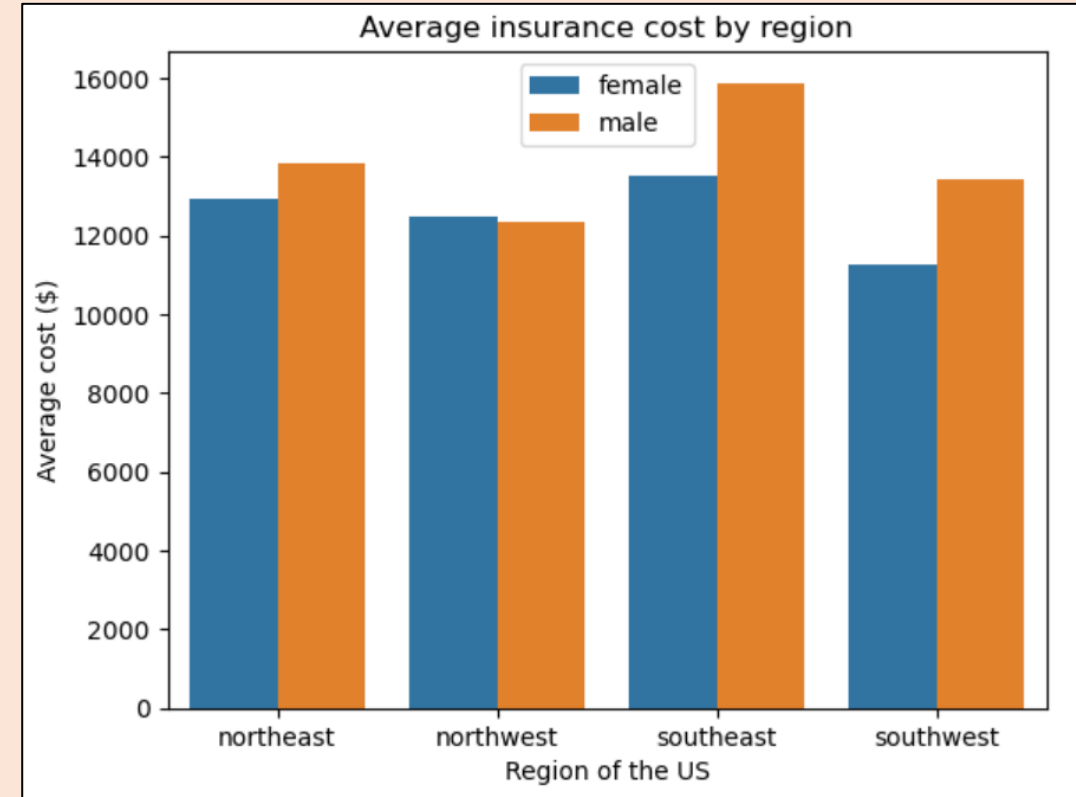


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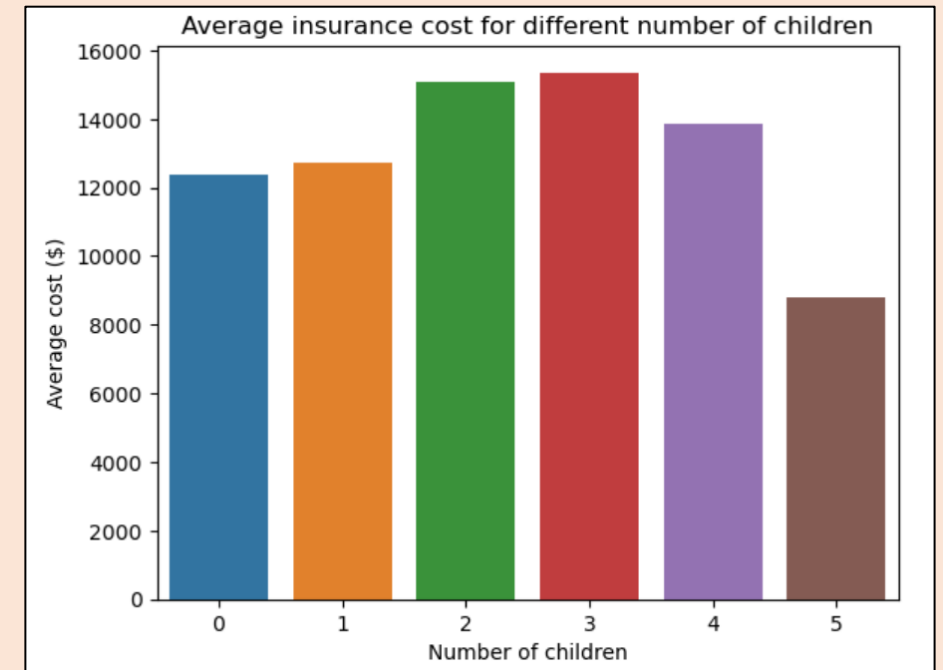
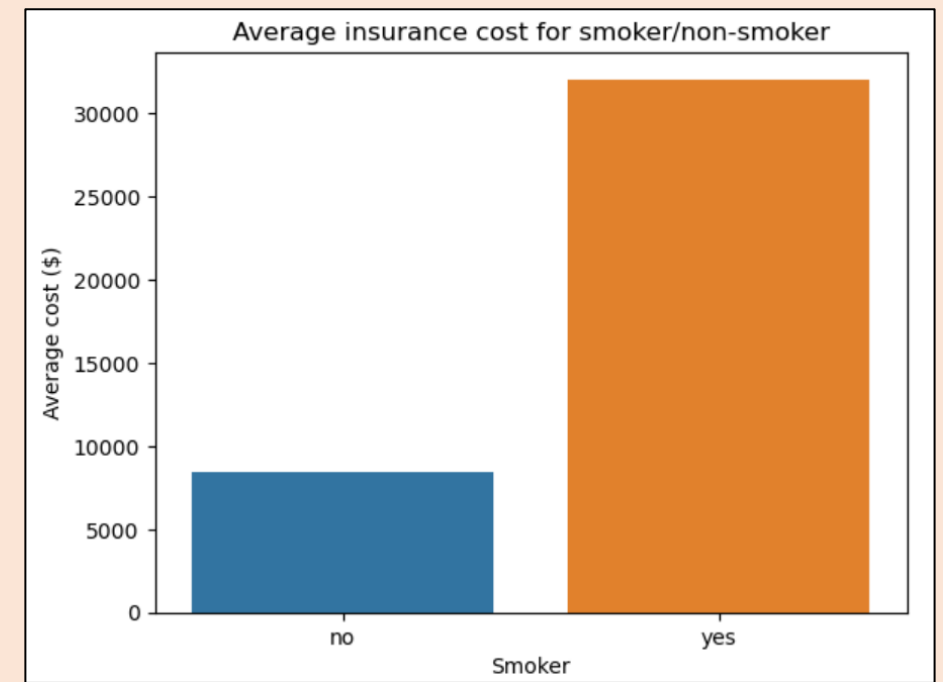
How do the costs vary by region?

- Individuals in the Southeast generally have the highest costs
- The Northwest is an exception since males have cheaper average insurance than females



Effect of smoking and children

- Smokers are paying on average 3.8 times of non-smokers
- Individuals with 3 children are paying the most but those with 4 and 5 are paying less



Points of caution

- We do not know important variables such as the ethnicity, where exactly they are living (countryside/city) and their marital status
- The year this data is from is unknown
- Sample size too small to generalise for a huge country like the US
- Further research/analysis needed to understand the reasons for the differences