

Health Insurance Cost Analysis

This project analyses a health insurance dataset to explore how different factors such as **age**, **BMI**, **smoking status**, and **number of children** affect medical insurance charges. The dataset was provided as part of the IBM Data Analyst course on Coursera.

Project Overview

- **Dataset Source:** [IBM Developer Skills Network – Coursera](#)
 - **Tools Used:** Python (Pandas, Matplotlib, Seaborn, scikit-learn), JupyterLite (Pyodide environment)
 - **Goal:** Understand relationships between variables and build a simple regression model to predict insurance charges.
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Features in the Dataset

Feature	Description
Age	Age of the individual (int)
Gender	Gender encoded (1 = Male, 2 = Female)
BMI	Body Mass Index
No_Of_Children	Number of children/dependents
Smoker	1 = Smoker, 0 = Non-smoker
Region	Coded region (1 to 4)
Charges	Annual insurance charges in dollars

Key Visualizations

- Distribution of **Charges**
 - Charges vs. **Age**
 - Charges vs. **BMI**
 - Boxplot: **Smoker** vs. Charges
 - Heatmap: **Correlation matrix**
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Key Insights

- **Smokers** have significantly higher insurance charges than non-smokers.
 - **BMI** over 30 tends to increase costs, especially for smokers.
 - **Age** has a linear relationship with charges.
 - Number of children has a **weak influence** on charges.
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Machine Learning

A **Linear Regression model** was used to predict insurance charges. Preprocessing included:

- Converting categorical variables to integers
 - Scaling features using **StandardScaler**
 - Optional polynomial feature expansion
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Files

- **Health_Insurance.ipynb**: Jupyter notebook with full code and analysis
 - **medical_insurance_dataset.csv**: Raw dataset used in this project (not included on GitHub due to size, link in notebook)
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How to Run

1. Clone or download this repo
2. Open `Health_Insurance.ipynb` in a Jupyter environment
3. Install requirements:

```
pip install pandas matplotlib seaborn scikit-learn
```

4. Run all cells from top to bottom
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