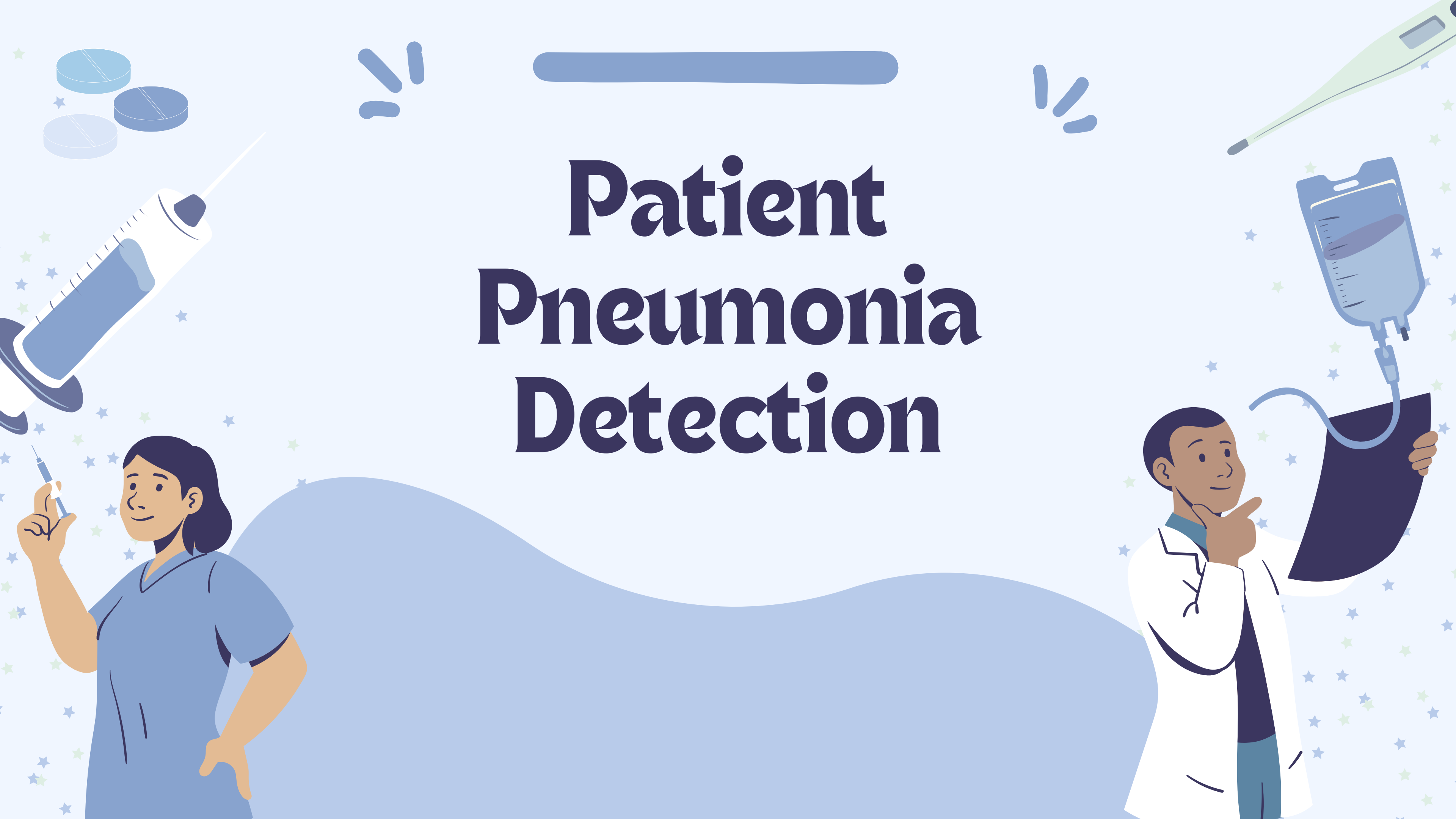


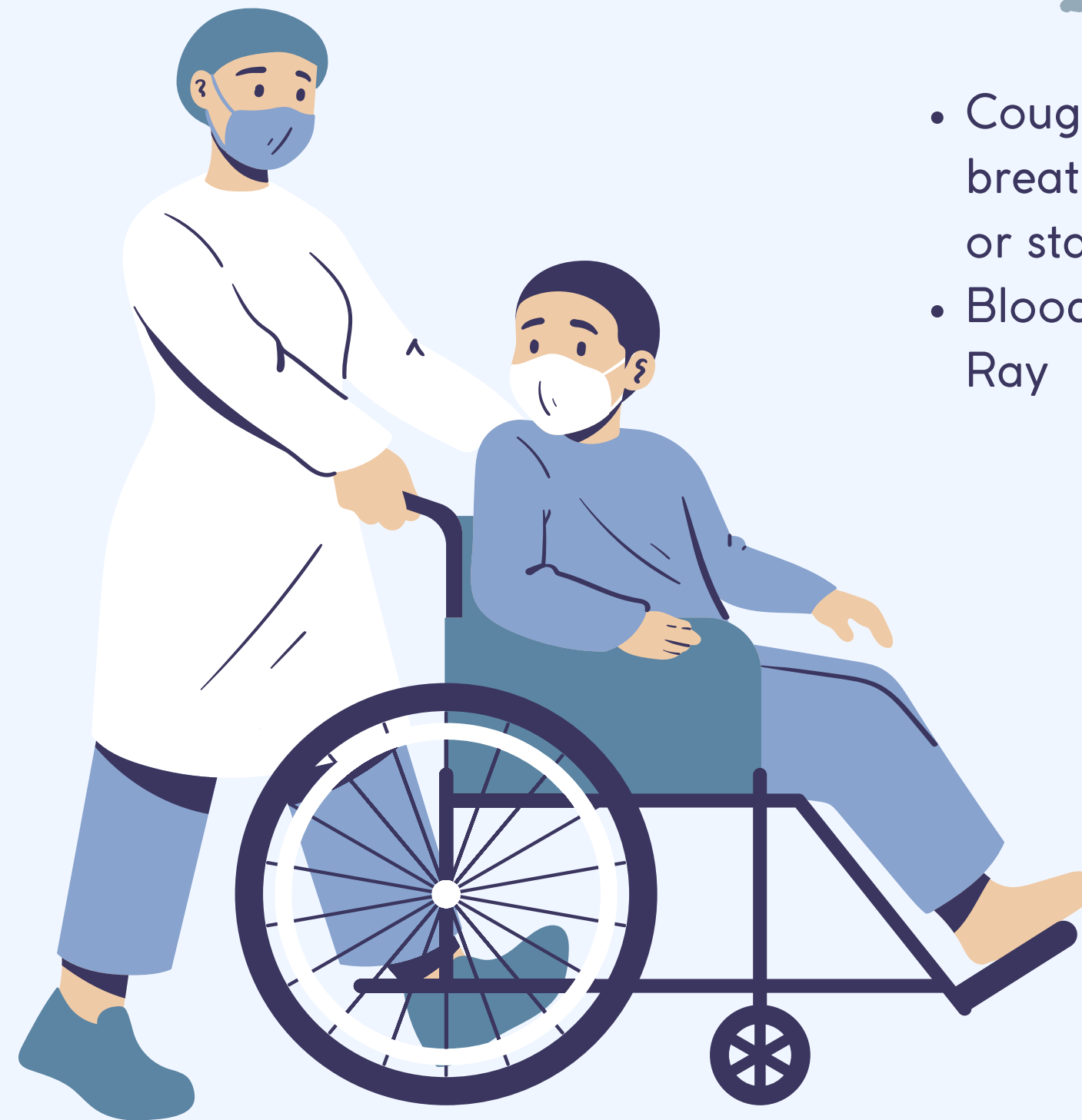
Patient Pneumonia Detection



General Medical Background

What?

- Infection (caused by bacteria, virus, or fungi) in one or both lungs --> Alveoli fill with liquid
- ~1.5 million adults diagnosed per year in the US



Diagnoses

- Cough, high fever with chills, fast breathing, shortness of breath, sharp or stabbing chest pain
- Blood test, sputum culture, chest X-Ray

Why?

- Acute respiratory distress, pleural effusion, lung abscesses
- ~ 50,000 deaths per year
- False Positive --> given unneeded medication
- False Negative --> patient not treated, could develop complications

Diagnosing Pneumonia

- Pneumonia symptoms are very similar to other illnesses, making **misdiagnosis common**.
- About **12%** of patients were inappropriately diagnosed with pneumonia in a study across 48 hospitals in Michigan.
- **1 in 8** patients are misdiagnosed.
- A DL preventative diagnosis can save hospitals rooms and time of doctors for more dire cases.



Objective

Highly Accurate Image Classification Model

Correctly detect pneumonia in chest X-rays which can help ensure patients receive the care they need.

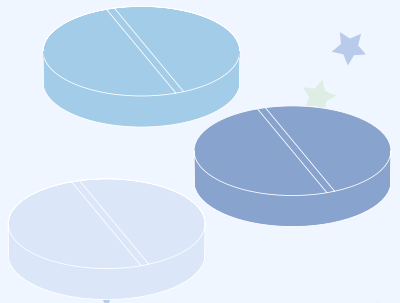


Data Preprocessing





Dataset

- Binary outcome variable: Normal vs. Pneumonia
 - 5856 images
 - training: 3513 images
 - testing: 1171 images
 - validation: 1172 images
 - Resized to (64,64)
 - Normalized pixel values to be between 0 and 1
 - divided image size by 225
 - Expand dimensions to retain consistency in shape for deep learning.
- 

Normal



Pneumonia



The Models



Model Objectives

Determining the best model to detect Pneumonia

Using extensive deep learning models, we aim to implement the model that can most accurately detect a case of pneumonia within a patient.

Meeting the human benchmark

With a pulmonary specialists knowledge, they can accurately predict a patient with pneumonia with a rough 90% accuracy. We want a model that can closely predict a specialists accuracy.

Metric Used

For our models, we will prioritize our accuracy and Recall metrics. Accuracy to determine how our model is performing and recall to see how accurate the models perform for detecting pneumonia.



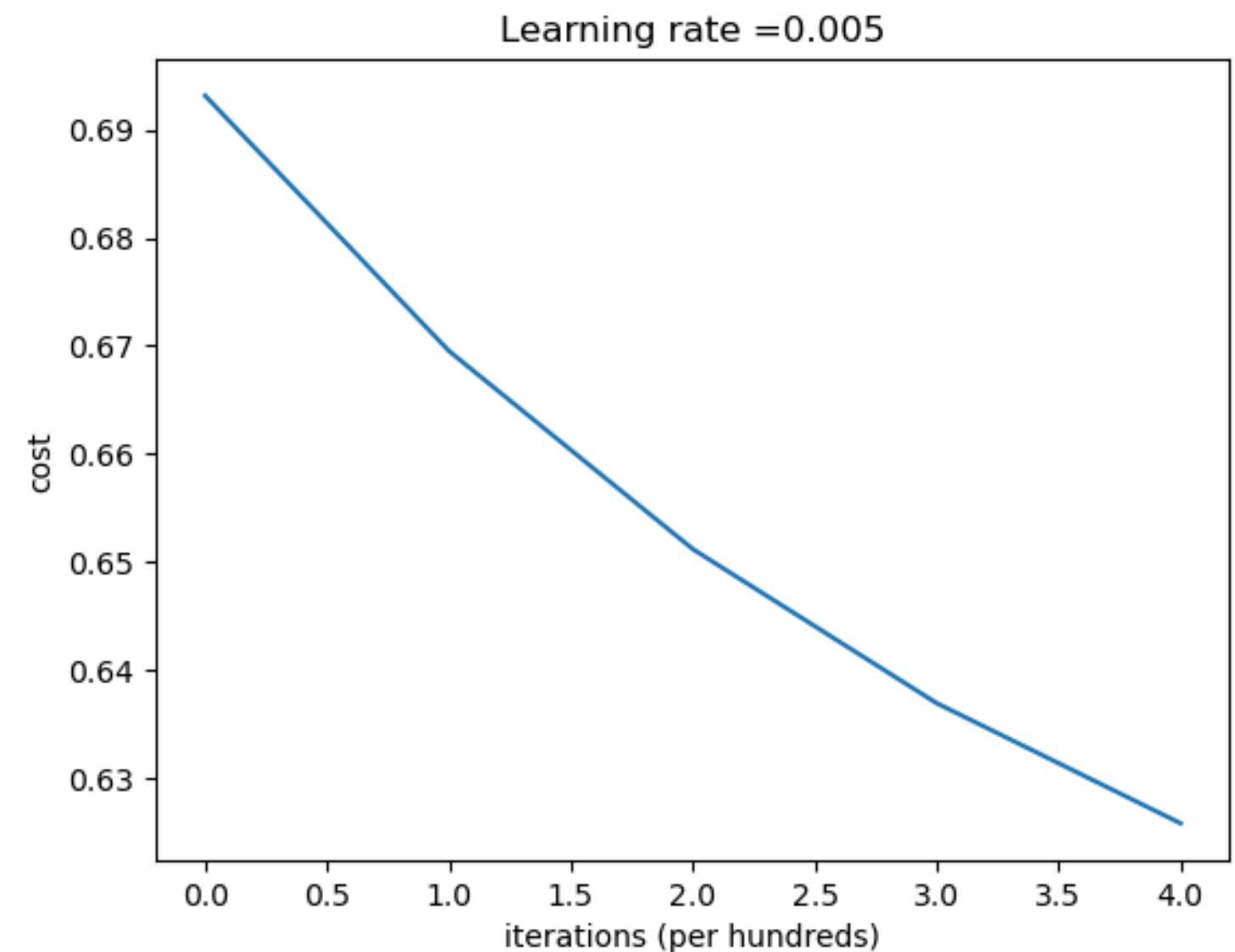
Logistic Regression - No Hidden Layers



| <u>Training Set</u> | |
|----------------------------|--------------|
| Iteration | Cost |
| 0 | .6931 |
| 100 | .6695 |
| 200 | .6512 |
| 300 | .6370 |
| 4000 | .6258 |

- For our logistic regression, found having a learning rate of .005 to be our most optimal rate.
- we would want to improve our accuracy using different models.

| | |
|--------------------------|---------------|
| Training Accuracy | 72.92% |
| Testing Accuracy | 73.89% |
| CV Accuracy | 72.16% |

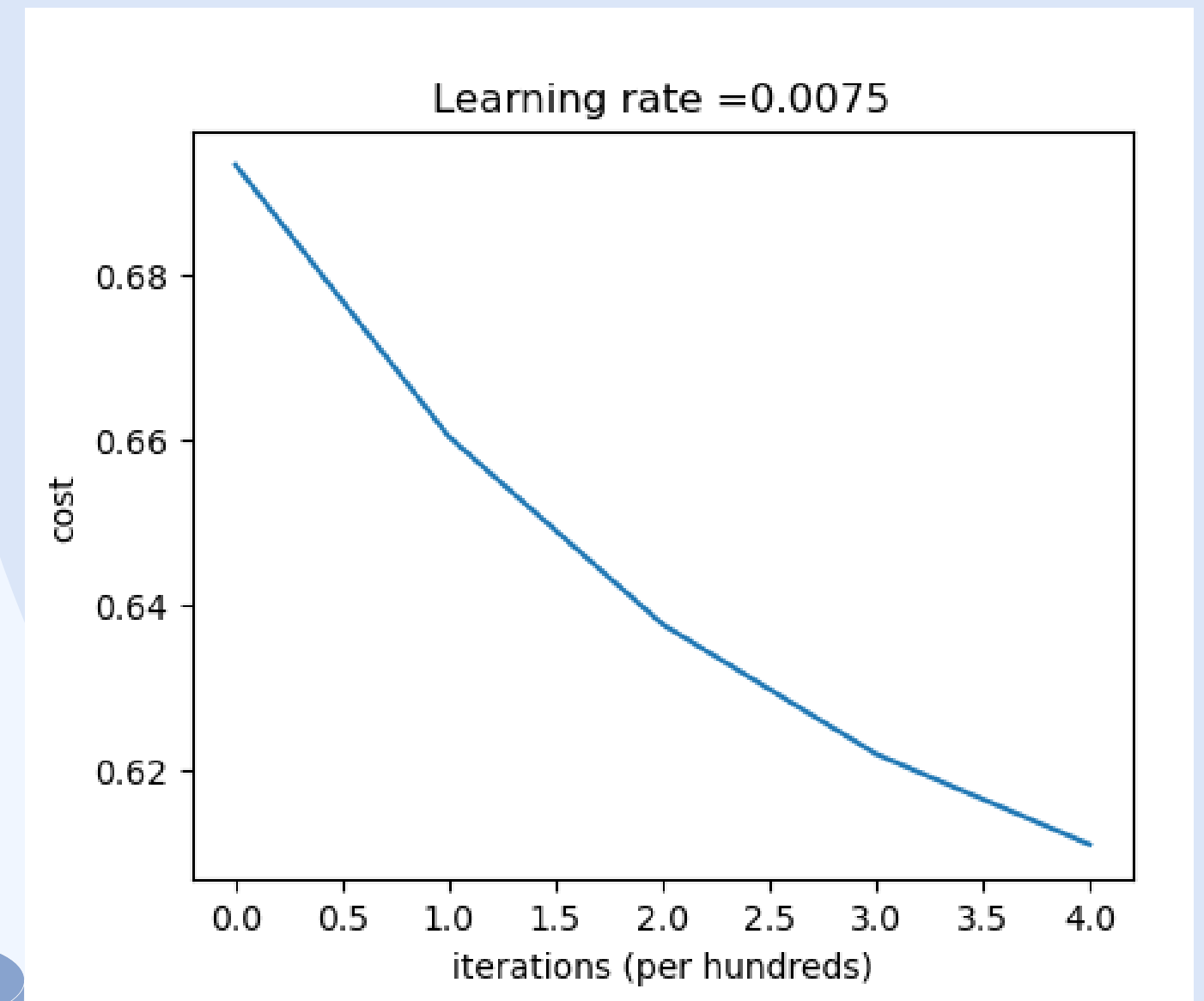


Deep NN - 2 hidden layers, 4 hidden units

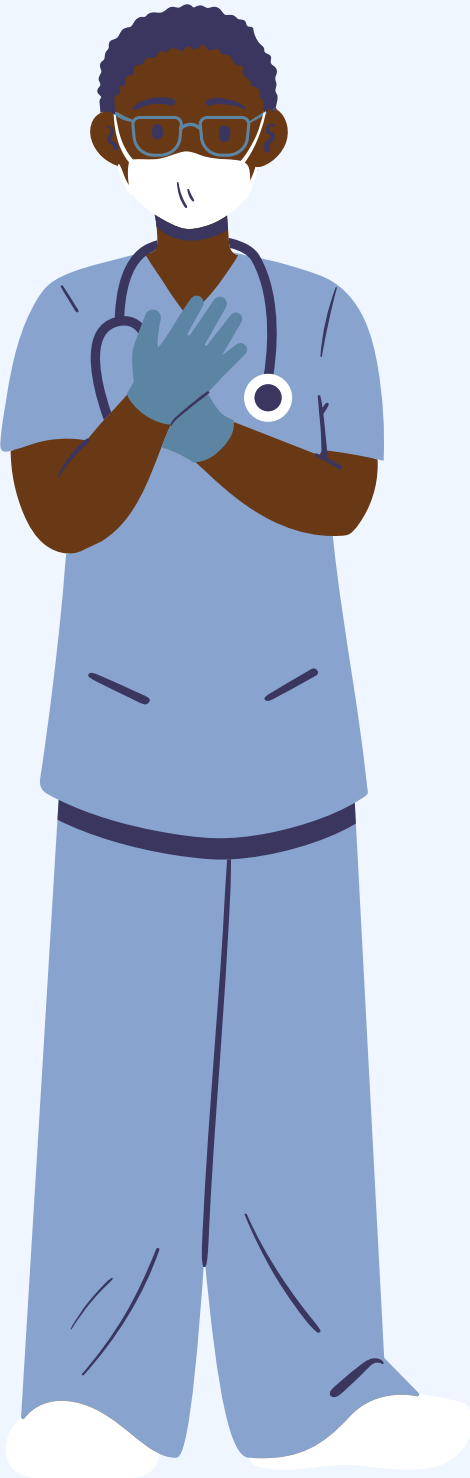
| <u>Training Set</u> | |
|---------------------|-------|
| Iteration | Cost |
| 0 | .6931 |
| 100 | .6602 |
| 200 | .6375 |
| 300 | .6218 |
| 400 | .6109 |

- With a Deep Neural Networks model and using learning rate = .0075, our cost gradually decreases with each iteration.
- From our final results, we are having a consistent accuracy of 72 - 73%.

| | |
|-------------------|--------|
| Training Accuracy | 72.92% |
| Testing Accuracy | 73.89% |
| CV Accuracy | 72.16% |



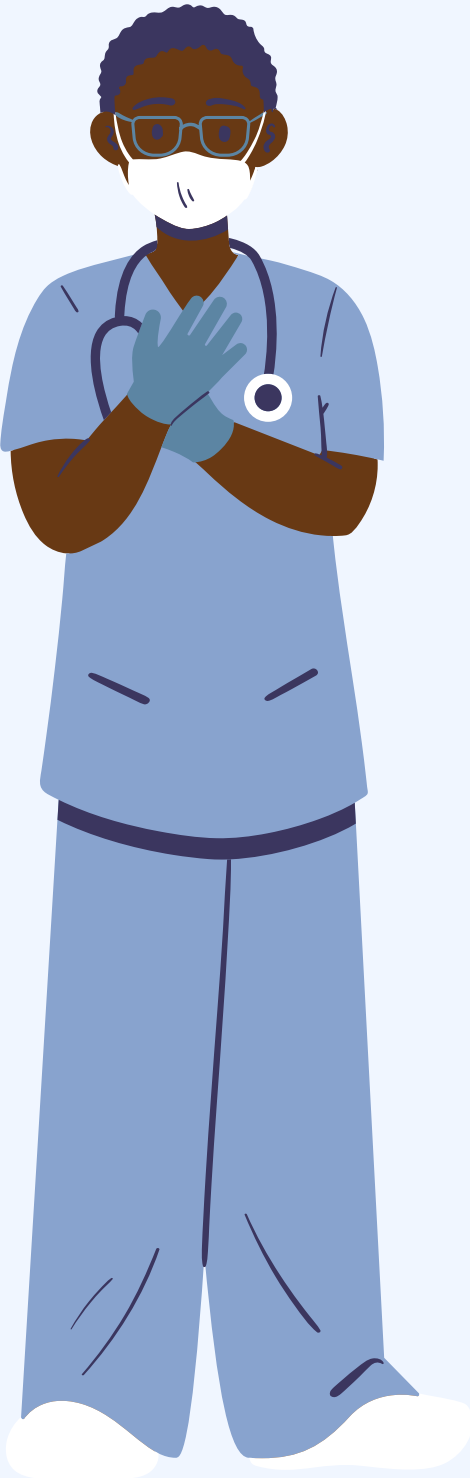
Model Optimizations



| Algorithm | Training Accuracy | Training Recall | CV Accuracy | CV Recall |
|----------------------------|-------------------|-----------------|-------------|-----------|
| Model | 89.90% | 95.90% | 88.64% | 97.98% |
| Model Fit w/ Validation | 91.74% | 96.14% | 91.72% | 98.93% |
| Changing NN | 93.08% | 96.84% | 94.53% | 98.22% |



Best Optimization – Changing NN Iterations

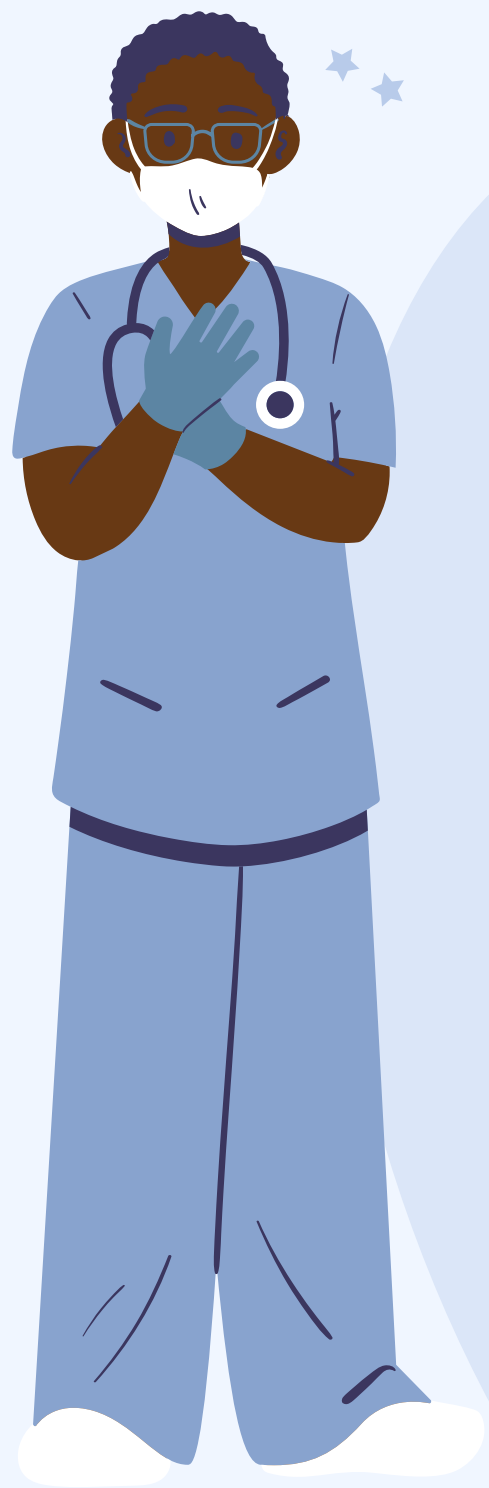


| Epoch | Training Accuracy | Training Recall | CV Accuracy | CV Recall |
|-------|-------------------|-----------------|-------------|-----------|
| 2 | 77.63% | 90.01% | 87.36% | 94.91% |
| 4 | 88.76% | 94.93% | 90.44% | 97.40% |
| 6 | 91.32% | 96.17% | 93.08% | 97.04% |
| 8 | 93.08% | 96.84% | 94.53 | 98.22% |



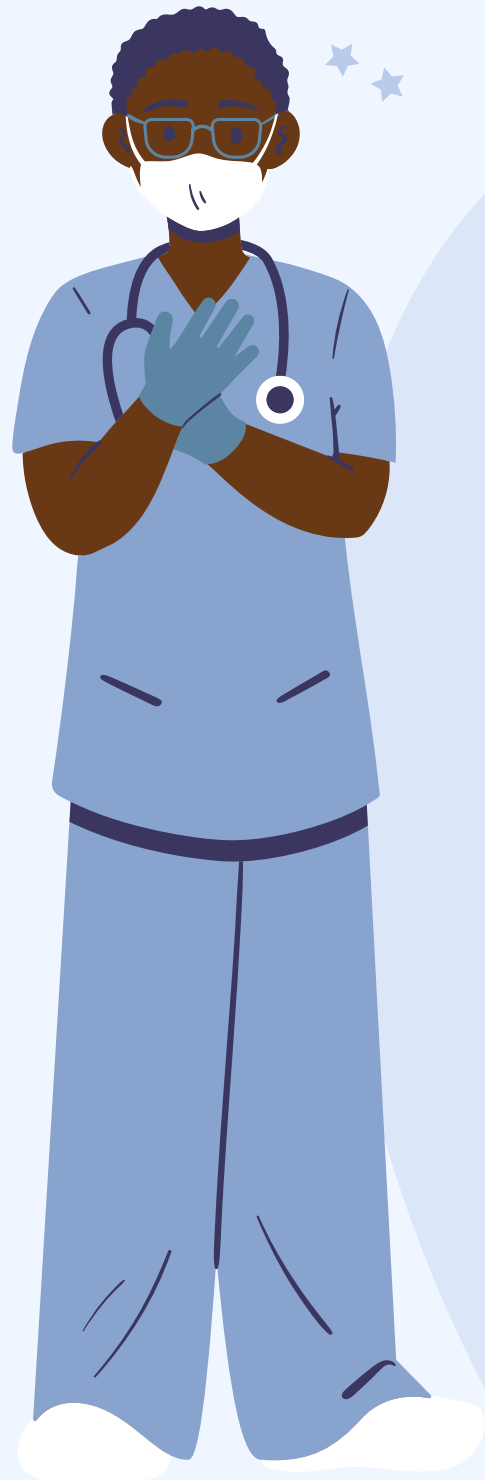
L2 Regularization

| Lambda | Train Accuracy CV Accuracy | Train Recall CV Recall |
|--------|-------------------------------|---------------------------|
| 0.001 | 91.65% 92.47% | 98.47% 99% |
| 0.002 | 93.52% 94.68% | 97.82% 97.91% |
| 0.003 | 93.25% 94.97% | 97.23% 97.71% |
| 0.004 | 93.7% 94.33% | 95.78% 96.08% |
| 0.005 | 93.67% 94.34% | 97.02% 97.07% |



Dropout Regularization

| Dropout Rate | Train Accuracy | Train Recall | CV Accuracy | CV Recall |
|--------------|----------------|--------------|-------------|-----------|
| 0.5 | 92.28% | 97.58% | 93.28% | 98.2% |
| 0.6 | 73.82% | 1 | 72.53% | 1 |
| 0.4 | 90.05% | 98.78% | 90.10% | 99.21% |
| 0.3 | 91% | 97.54% | 91.9% | 98.11% |
| 0.2 | 73.82% | 1 | 72.53% | 1 |



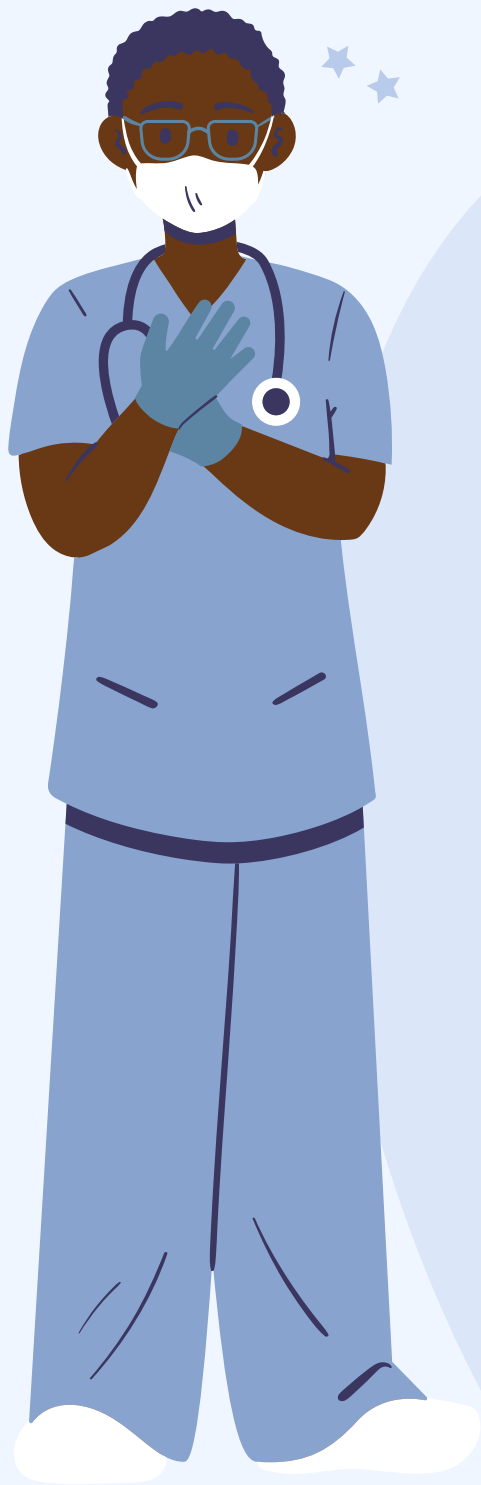
L2 & Dropout Regularization



| Lambda | Dropout Rate | CV Accuracy | CV Recall |
|--------|--------------|-------------|-----------|
| 0.001 | 0.2 | 92.66% | 99% |
| 0.003 | 0.4 | 86.94% | 99.4% |
| 0.004 | 0.5 | 94.48% | 97.77% |
| 0.005 | 0.6 | 84.13% | 99.4% |

Batch Normalization

| Batch | CV Accuracy | CV Recall |
|------------------------------------|-------------|-----------|
| Default | 81.96% | 99.57% |
| momentum - 0.98 epsilon - 0.002 | 89.17% | 96.42% |
| momentum - 0.97 epsilon - 0.003 | 41.41% | 19.33% |
| momentum - 0.96 epsilon - 0.004 | 72.58% | 1 |
| momentum - 0.95 epsilon - 0.005 | 27.5% | 0.00034% |



Batch Normalization & Dropout Rate

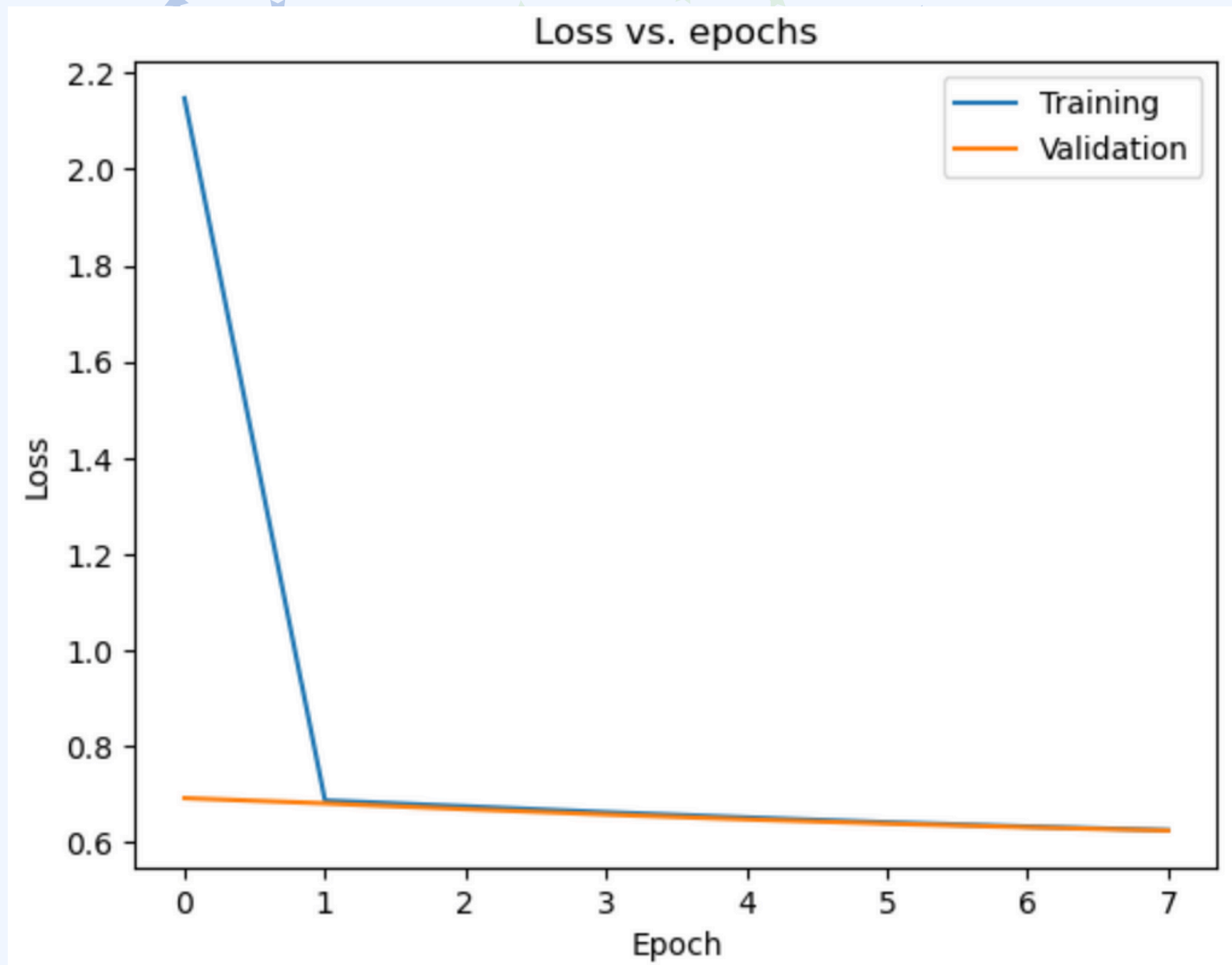
| Momentum | Epsilon | Beta initializer | Gamma Initializer | Dropout Rate | CV Accuracy | CV Recall |
|----------|---------|-----------------------|-------------------|--------------|-------------|-----------|
| Default | Default | Default | Default | 0.5 | 80.76% | 99.87% |
| 0.95 | 0.005 | mean=0.0, stddev=0.05 | 0.9 | 0.5 | 84.49% | 80.93% |
| 0.90 | 0.010 | mean=0.0, stddev=0.06 | 0.8 | 0.5 | 80.49% | 77.52% |
| 0.92 | 0.015 | mean=0.0, stddev=0.07 | 0.7 | 0.5 | 78.85% | 99.29% |
| 0.97 | 0.006 | mean=0.0, stddev=0.08 | 0.6 | 0.5 | 73.26% | 1 |

Combinations

| Model | Training Accuracy | CV Recall |
|--|-------------------|-----------|
| Baseline with L2 Regularization | 93.42% | 98.93% |
| <u>L2 Regularization & Dropout</u> | 94.87% | 97.86% |
| L2 Regularization and Batch Normalization | 81.63% | 99.88% |
| L2 Regularization, Batch Normalization, and Dropout | 94.10% | 93.13% |
| Increased Complexity with L2, Batch Normalization, and Dropout | 35.33% | 10.41% |



Early Stop



| | |
|-------------|--------|
| CV Accruacy | 72.53% |
| CV Recall | 1 |



Best Model





L2 Regularization + Dropout

| Model | Train Accuracy | Train Recall | CV Accuracy | CV Recall | Test Accuracy | Test Recall |
|-----------------------------|----------------|--------------|-------------|-----------|---------------|-------------|
| L2 Regularization + Dropout | 0.9487 | 0.9709 | 0.9487 | 0.9786 | 0.9301 | 0.9650 |

| TESTING DATASET | | Predicted | |
|-----------------|-----------|-----------|-----------|
| | | Normal | Pneumonia |
| Actual | Normal | 257 | 49 |
| | Pneumonia | 29 | 837 |

- Based on the models explored, the combination of **L2 Regularization + Dropout** performed the **best**
- Good **balance** between high accuracy and recall
- Much **improved** compared to logistic regression which hovered around **70%** accuracy.

VGG Model

| Model | Train Accuracy | Train Recall | CV Accuracy | CV Recall | Test Accuracy | Test Recall |
|-----------------------|----------------|--------------|-------------|-----------|---------------|-------------|
| VGG using CONV layers | 0.9555 | 0.9887 | 0.9406 | 0.9689 | 0.9429 | 0.9757 |

| TESTING DATASET | | Predicted | |
|-----------------|-----------|-----------|-----------|
| | | Normal | Pneumonia |
| Actual | Normal | 262 | 44 |
| | Pneumonia | 23 | 843 |

- **High rate** of true positive (TP) to minimize misdiagnosis.
- Good **balance** between recall and accuracy.
- VGG competes well with our other existing models, but is also **computationally expensive**.



Business Implications



Managerial Benefits



Accuracy/Efficiency &
Scalability/Automation

Enhanced Decision Making

Quality and Medical
Compliance
Standardization

Competitive/First Mover
Advantage



Cost Implications

The associated cost of an occupied hospital bed can be \$1k to \$3k per day in the US (Worldmetrics.org).

31.1% of pneumonia cases were among children and adolescents (<18 years) \$900 - \$2.6k
44.8% were among non-elderly adults (18-64) \$2.2k - \$3k
24.1 were among elderly adults (>= 65 years) \$4k - \$5k (Jwatch.org)

| Age group | Cost per episode (US\$) |
|-----------|-------------------------|
| | Mean |
| < 1 y | 2621.9 |
| 1 y | 1255 |
| 2-4 y | 923 |
| 5-17 y | 910.2 |
| 18-49 y | 2177.7 |
| 50-64 y | 3478.3 |
| 65-74 y | 4025.8 |
| 75-84 y | 4605.1 |
| ≥ 85 y | 4993 |

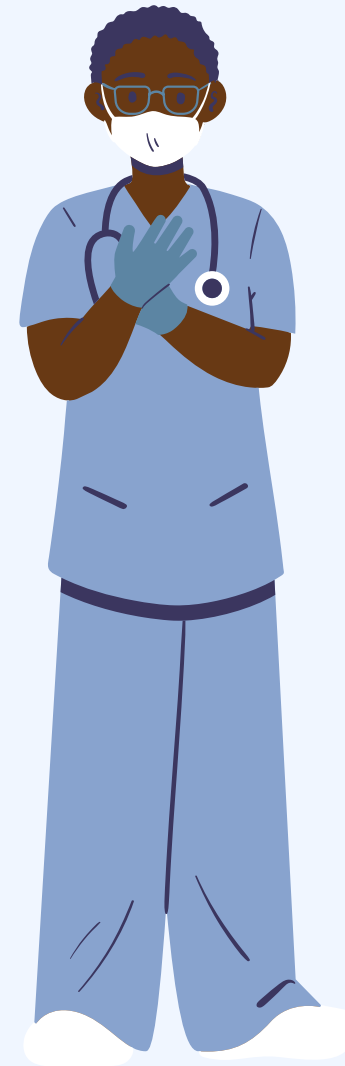
Efficiency Gains with Economies of Scale & Readmission Costs



Conclusion

COST SAVINGS:

- Cost of a misdiagnosis is around **\$2-5k** (diagnostics, bed occupancy, etc.)
- Actual misdiagnosis rate is at 12%, our model can predict up to 95% (**8% reduction**)
- For every 1,000 cases, hospitals can save up to **\$20-50k** annually (*not including costs for readmissions*).
- Better diagnoses can lead to appropriate treatments reducing the likelihood of readmission:
 - Assuming readmission cases cost \$15,000 per case, total savings (from 25 cases) can reach \$375,000.



REVENUE GAINS:

- Reduced time to diagnosis (ability to handle more patients):
 - A 10% increase in patient throughput with each additional patient bringing in \$5k can result in over **\$500,000 annual** revenue.
- Faster patient turnover and reduced operational costs:
 - Assuming a 0.5 day reduction in diagnostic process can save \$2,000 a day (**up to \$1 million annually**)

Potential Savings up to **\$2 million annually**

Thank You!

