

Problem Statement :

A client's requirement is, he wants to predict the insurance charges based on the several parameters. The Client has provided the dataset of the same.

As a data scientist, you must develop a model which will predict the insurance charges.

- 1.) Identify your problem statement
- 2.) Tell basic info about the dataset (Total number of rows, columns)
- 3.) Mention the pre-processing method if you're doing any (like converting string to number – nominal data)
- 4.) Develop a good model with r^2 _score. You can use any machine learning algorithm; you can create many models. Finally, you have to come up with final model.
- 5.) All the research values (r^2 _score of the models) should be documented. (You can make tabulation or screenshot of the results.)
- 6.) Mention your final model, justify why u have chosen the same.

To find the following machine learning regression method using r^2 value

1. Multiple Linear Regression R^2 value = 0.78

2. Decision tree

| S.No | Max features | Splitter | R value |
|------|--------------|----------|---------|
| 1 | auto | best | 0.6876 |
| 2 | auto | random | 0.6576 |
| 3 | sqrt | best | 0.7216 |
| 4 | sqrt | random | 0.7165 |
| 5 | Log2 | best | 0.7318 |
| 6 | Log2 | random | 0.7108 |
| 7 | auto | best | 0.7219 |
| 8 | auto | random | 0.7187 |
| 9 | sqrt | best | 0.7301 |
| 10 | sqrt | random | 0.7109 |

The decision tree regression uses R^2 value(log2_best=0.7318)

3.Random Forest Hyperparameter Tuning Model Configuration Comparison

| S.No | n_estimators | max_Depth | min_samples_split | min_samples_leaf | max_features | R ² value |
|------|--------------|-----------|-------------------|------------------|--------------|----------------------|
| 1 | 50 | None | 2 | 1 | auto | 0.8498 |
| 2 | 100 | None | 2 | 1 | auto | 0.8512 |
| 3 | 150 | None | 2 | 1 | auto | 0.8524 |
| 4 | 200 | None | 2 | 1 | auto | 0.8519 |
| 5 | 100 | 10 | 2 | 1 | auto | 0.8445 |
| 6 | 100 | 20 | 2 | 1 | auto | 0.8501 |
| 7 | 100 | None | 5 | 1 | auto | 0.8489 |
| 8 | 100 | None | 10 | 1 | auto | 0.8467 |
| 9 | 100 | None | 2 | 2 | auto | 0.8495 |
| 10 | 100 | None | 2 | 4 | auto | 0.8478 |
| 11 | 100 | None | 2 | 1 | sqrt | 0.8506 |
| 12 | 100 | None | 2 | 1 | log2 | 0.8491 |
| 13 | 150 | None | 2 | 1 | sqrt | 0.8531 |
| 14 | 200 | 20 | 2 | 1 | sqrt | 0.8518 |

Best Configuration: Random Forest with n_estimators=150, max_depth=None, min_samples_split=2, min_samples_leaf=1, max_features='sqrt' achieves the highest R² value of **0.8531**