

Climate-Informed Modelling of Health Risk

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Introduction

Project Objective
Microsoft’s Capstone Challenge asked us to turn GRIDMET, a 40-year archive of high-resolution climate data, into a revenue-generating service with clear real-world value.

Why GRIDMET?
With daily weather data across the U.S. at 4 km resolution, GRIDMET supports decisions in energy, agriculture, insurance, logistics, and public health. These variables help reduce risk, improve planning, and protect lives.

Our Focus
We chose to forecast hospital admissions linked to climate-driven events like heatwaves, flu seasons, and wildfire smoke. These surges often overwhelm hospitals, causing:

- Emergency department overcrowding
- Staffing and supply shortages
- Significant cost increases

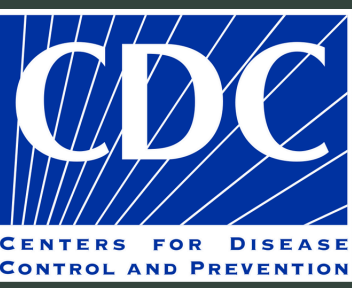


The stakes are high:

- \$3.75B/year in flu-related admissions
- \$1B in extra costs from summer heat
- \$2–4M/year in efficiency losses per hospital


Methodology

Data Sources



FluView

- Coverage from 2009 refreshed in near-real time
- City & State level confirmed weekly influenza hospitalisations
- Age group, Virus Type, Race & Gender granularity

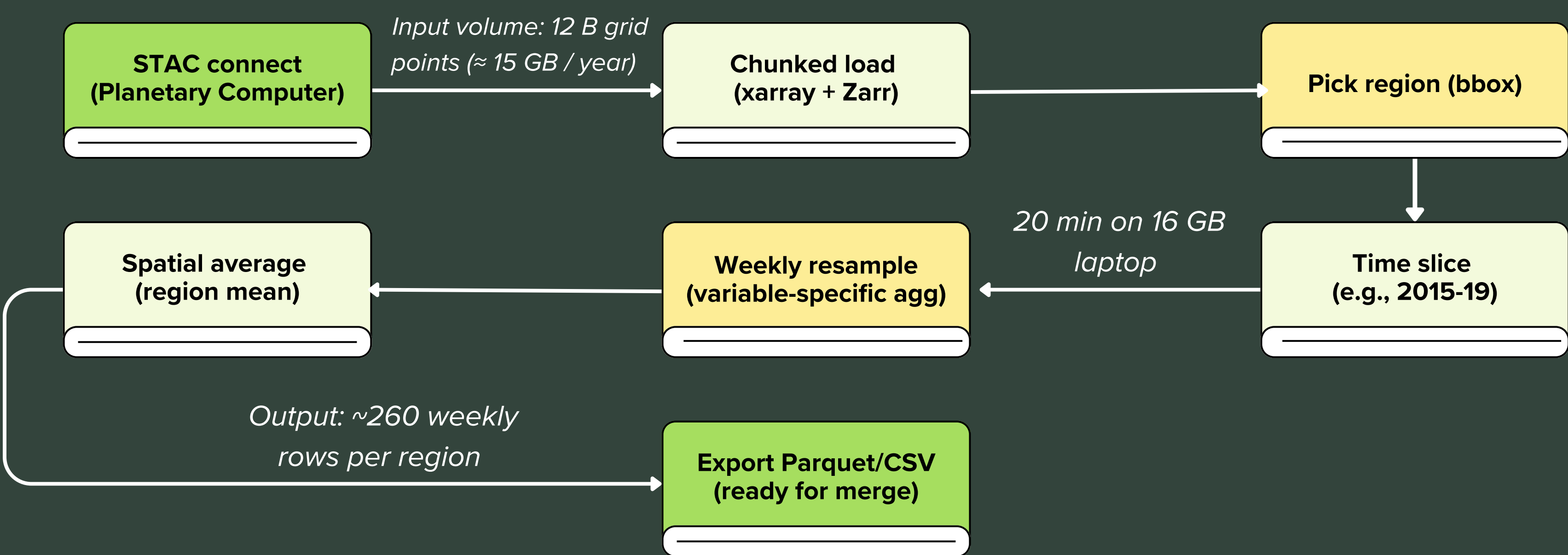


GridMET Planetary Computer

- 40 years of daily U.S. weather, 4 km grid
- 10+ variables (temp, humidity, precip, wind, fire danger...)
- > 12 billion records in daily granularity and (lat, long) pairs

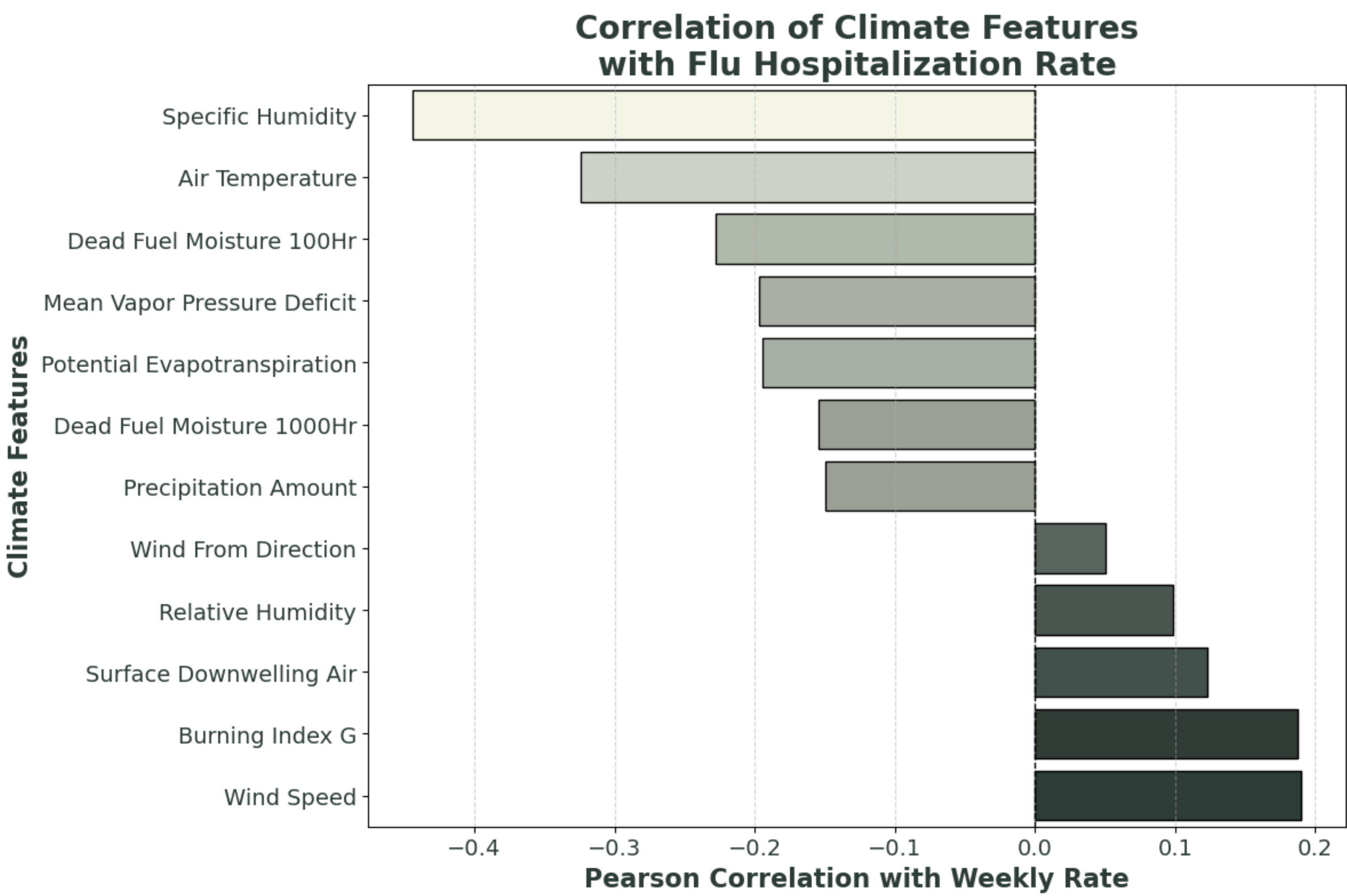
Data Extraction Pipeline

A modular, cloud-ready pipeline to transform massive climate data into structured health inputs



Feature Engineering
To capture trends and improve predictive power:

- Lag Features:** 1–8 weeks of past climate data
- Rolling Statistics:** Weekly averages, min/max, variability
- Interaction Terms:** E.g., humidity × temperature
- Seasonality Features:** Captured recurring temporal patterns relevant to flu cycles
- Lagged Target Variable:** Flu rates from the past 1–3 weeks



Model Development & Selection

- 10+ XGBoost models tested with progressive enhancements
- Improvements through tuning, feature selection, and hybrid design
- Final model (v6.2): predicts correction over lag-1 baseline
- Optimized via time-series CV + Optuna (30 trials)

XGBoost
+ Optuna
R² : 0.82
RMSE : 1.35
best among 10+ tested

Tools & Tech Stack

Data Manipulation



Data Extraction


EDA



Machine Learning




Results



MODEL PERFORMANCE

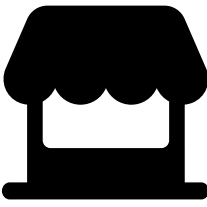
Hybrid model outperforms baseline:

- **RMSE:** 2.43 → **1.34** (–44.9% error)
- **R²:** 0.467 → **0.823** (+35.6 pts explained variance)



OPERATIONAL IMPACT

- ~120 fewer admissions/year in Rochester
- At \$12,500 per flu admission, that’s \$1.5M saved
- Across 12 hospitals: \$125K annual savings per hospital



MARKET OPPORTUNITY

- 5,000 hospitals in the U.S.
- Just 1% penetration = 50 clients/year
- Product ROI: 125%–188%, depending on tier

Conclusion

This project shows how open climate data and public health surveillance can be combined to forecast hospital admissions with high accuracy.

By leveraging GRIDMET and CDC FluView, we built a model that reduced prediction error by over 44% in Rochester and reached an R² of 0.93 in California. These improvements translate to up to \$1.5M in annual savings for a mid-sized city.

