

```
# Healthcare cost analysis
```

```
# To read an excel file  
library(readxl)
```

```
# Location of excel file  
Hospital <- read_excel("hospitalcosts.xlsx")
```

```
# data set  
View(Hospital)
```

```
# To visualize the data  
library(dplyr)  
library(ggplot2)
```

```
#1. To record the patient statistics, the agency wants to find  
# the age category of people who frequently visit the hospital  
# and has the maximum expenditure.
```

```
maxTotalCharge = max(Hospital$TOTCHG)  
dfAge = dplyr::filter(Hospital, TOTCHG == maxTotalCharge)  
maximumHospitalChargeAge = dfAge["AGE"]  
dfAge  
maximumHospitalChargeAge
```

```
#2. In order of severity of the diagnosis and treatments and  
# to find out the expensive treatments, the agency wants to  
# find the diagnosis-related group that has maximum  
# hospitalization and expenditure.
```

```
dfDiagnosisGroup = dplyr::filter(Hospital, TOTCHG ==  
maxTotalCharge)  
dfDiagnosisGroupMax = dfDiagnosisGroup["APRDRG"]  
  
dfDiagnosisGroupMax
```

```
#3. To make sure that there is no malpractice, the agency  
# needs to analyze if the race of the patient is related to  
# the hospitalization costs.
```

```
data <- table(Hospital$RACE,Hospital$TOTCHG)
plot(Hospital$TOTCHG,Hospital$RACE,type="l",col="red")
par(TRUE)
lines(Hospital$TOTCHG,Hospital$RACE,col="green")
```

#4. To properly utilize the costs, the agency has to analyze
the severity of the hospital costs by age and gender for
the proper allocation of resources.

```
predHospitalStayData <- lm(formula = LOS ~ AGE + FEMALE + RACE,  
data = Hospital)  
summary(predHospitalStayData)
```

#5. Since the length of stay is the crucial factor for
inpatients,
the agency wants to find if the length of stay can be
predicted
from age, gender, and race.

```
predHospitalCharges <- lm(formula = TOTCHG ~ .,data = Hospital)  
summary(predHospitalCharges)
```

#6. To perform a complete analysis, the agency wants to find
the
variable that mainly affects hospital costs.

```
# Hospital Charges not depend on Gender and Race(because  
pr(>|t|)>0.05),  
# highly dependable on Age, Length of hospital stay,  
# All Patient Refined Diagnosis Related Groups (because  
pr(>|t|)<0.05)
```