Group Assignment: Predictive Econometrics

Noah Julian Angara (16-604-233)
Giovanni Magagnin (17-300-914)

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1.

Observations: 1'204
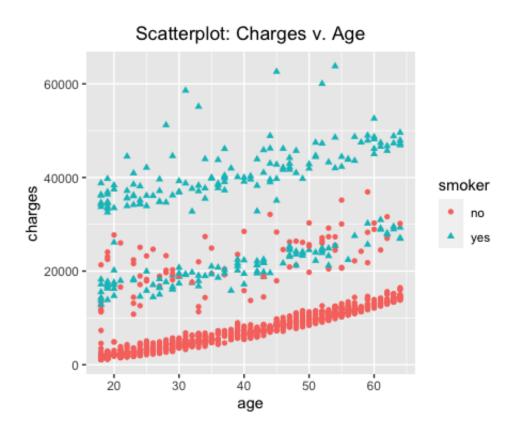Covariates: 6 (if charges are dependent variable)

2.

Highest number of children on one insurance: 5

3.

The region northwest has the lowest share of smokers with 16.897%.

4.

On average, smokers have higher charges than non-smokers, most likely from higher health risks associated with smoking (e.g. lung cancer). Furthermore, insurance charges increase with age (for non-smokers and smokers), which seems intuitive as health complications increase with age.