

Insurance Cost Prediction

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Motivation



Insurance
Contractor

By predicting the health insurance cost insurance contractors need to pay, this app helps beneficiaries to:

- ❖ Obtain an approximation as to what will be their health care and gain a fair idea of their health condition

Insurance
Company

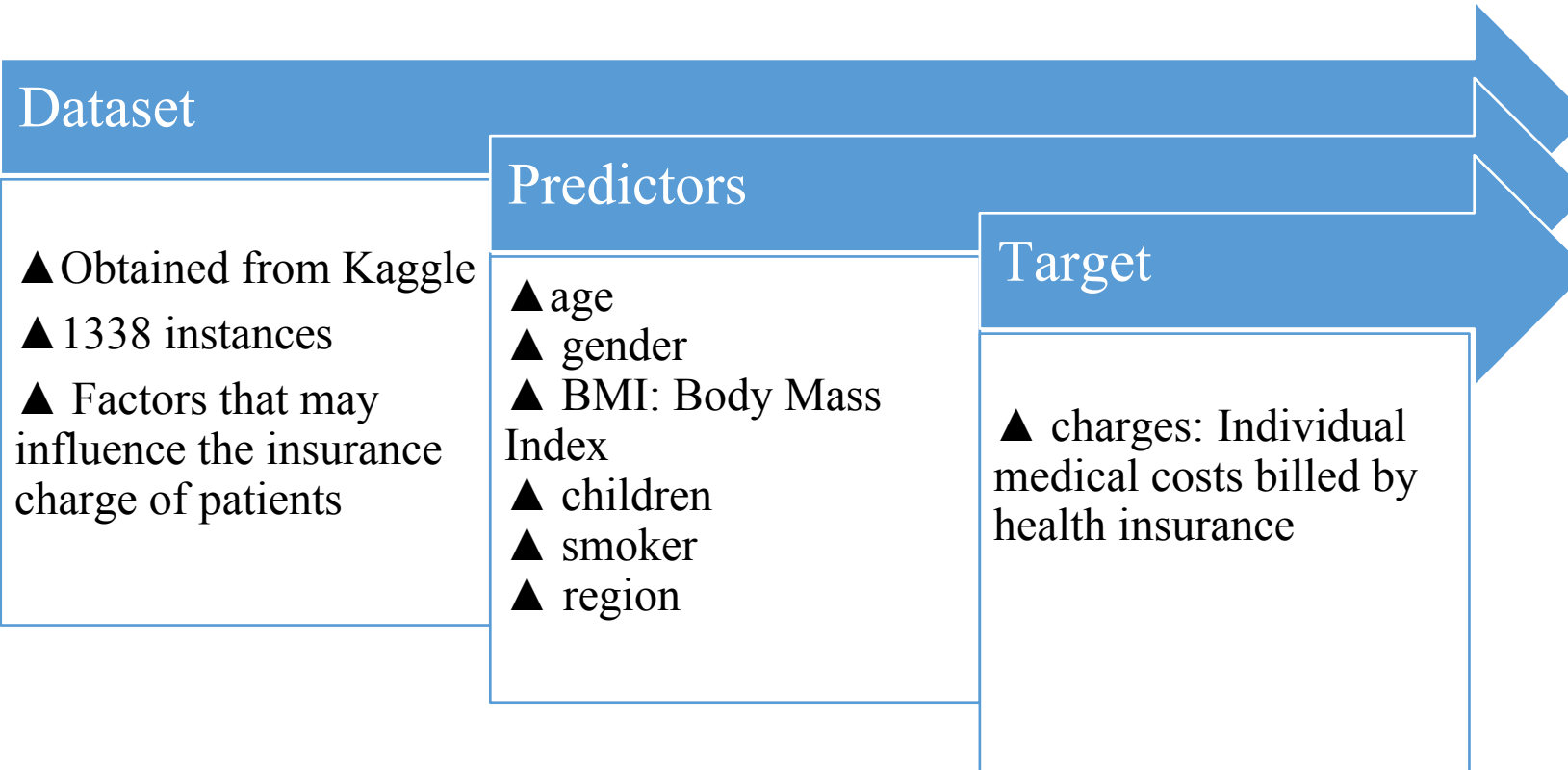
This app helps insurance companies to:

- ❖ Have a better understanding of the health costs of their potential customers and set premiums accordingly to make profits.

Demo



Data



Model



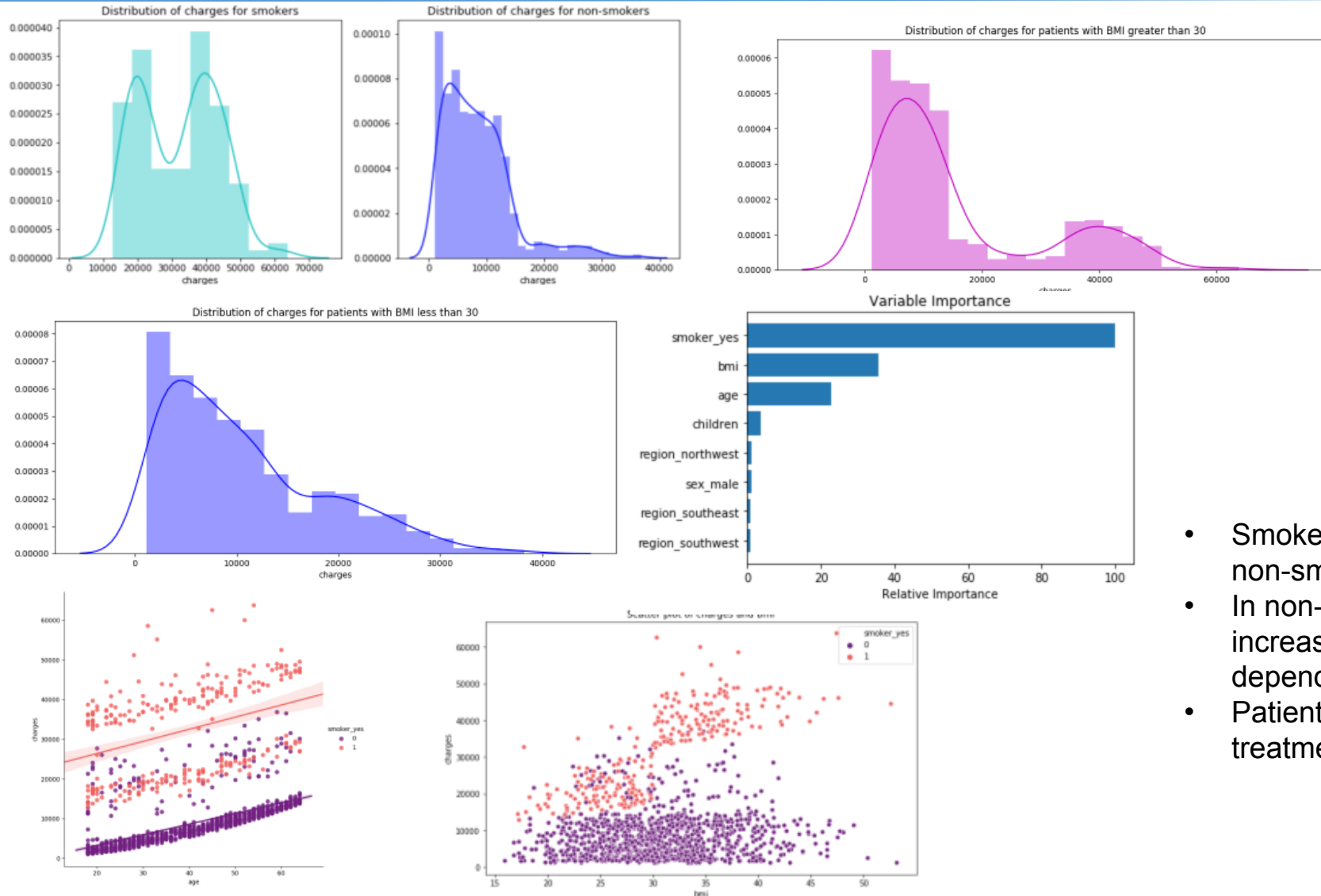
Random Forest Regressor

Success Criteria: an R-squared
above 0.8 on the test dataset

A train/test split of 80/20 was
applied.

Result:
MSE: 3746403.169
R2: 19568385.032

Insights



- Smokers spend more on treatments than non-smokers
- In non-smokers, the cost of treatment increases with ages. In smoking people, this dependence does not exit.
- Patients with BMI above 30 spends more on treatments

Thank you!

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