

Coding Sample 2

June 29, 2019

1 Health Dataset Exploration

Background Information: 1. A large company, Company A, provides health insurance to its employees.

2. Every four years, Company A's insurer, InsurAHealth, reviews the health status of the employees. To do this, InsurAHealth calculates a health score between 0 and 6 for each employee on a quarterly basis. 0 denotes a very healthy person, and 6 denotes a very sick person. The 'health score' is a proprietary tool used by InsurAHealth. The items that go into its formula are not public.
3. This past review cycle InsurAHealth claimed that the employees have gotten sicker. Mean Health Score in Quarter 1 was 3.4, in Quarter 6 it was 3.5, and Quarter 12 it was 3.9.

Company A has hired you to evaluate InsurAHealth's claim that employees are sicker. To facilitate your analysis, InsurAHealth has provided you with data for 12 quarters that includes 2,000 employees from Company A. Each quarter is a representative sample of the employees at Company A in that quarter. The demographic information included in this data is not part of InsurAHealth's health score calculation.

1.1 1. Understanding the data

1.1.1 import the data

```
In [853]: import pandas as pd
import numpy as np
import matplotlib.pyplot as plt
import seaborn as sns
%matplotlib inline
np.random.seed(1337)
```

```
In [854]: data = pd.read_csv('acu_data.csv')
data.head()
```

```
Out[854]:
```

| | Observation | Number | Quarter | Employee Id | Sex (Male=1) | Race | Age | \ |
|---|-------------|--------|---------|-------------|--------------|------|-----|---|
| 0 | 1 | 1 | 1 | 1 | 0.0 | 3.0 | 27 | |
| 1 | 2 | 2 | 2 | 1 | 0.0 | 3.0 | 28 | |
| 2 | 3 | 3 | 3 | 1 | 0.0 | 3.0 | 28 | |

| | | | | | | |
|---|---|---|---|-----|-----|----|
| 3 | 4 | 4 | 1 | 0.0 | 3.0 | 28 |
| 4 | 5 | 5 | 1 | 0.0 | 3.0 | 29 |

| | Hospital Visit This Quarter (1=Yes) | Salary | Health Score |
|---|-------------------------------------|----------|--------------|
| 0 | 0 | \$36,907 | 3.7 |
| 1 | 0 | \$37,907 | 5.0 |
| 2 | 0 | \$38,907 | 4.0 |
| 3 | 0 | \$39,907 | 2.3 |
| 4 | 0 | \$40,907 | 2.1 |

In [855]: data.shape

Out[855]: (19103, 9)

There are 9 columns and 19103 rows in the dataset.

In [856]: data.info()

```
<class 'pandas.core.frame.DataFrame'>
RangeIndex: 19103 entries, 0 to 19102
Data columns (total 9 columns):
Observation Number      19103 non-null int64
Quarter                  19103 non-null int64
Employee Id              19103 non-null int64
Sex (Male=1)             19032 non-null float64
Race                     16980 non-null float64
Age                      19103 non-null int64
Hospital Visit This Quarter (1=Yes)  19103 non-null int64
Salary                   19103 non-null object
Health Score             19103 non-null float64
dtypes: float64(3), int64(5), object(1)
memory usage: 1.3+ MB
```

We can see from here that there are many missing values as not all of them have values in all 19103 rows.

In [857]: data.groupby('Qsquarter')['Employee Id'].count()

Out[857]:

| Quarter | |
|---------|------|
| 1 | 684 |
| 2 | 891 |
| 3 | 1139 |
| 4 | 1448 |
| 5 | 1671 |
| 6 | 1775 |
| 7 | 1850 |
| 8 | 1885 |
| 9 | 1914 |

```

10    1934
11    1950
12    1962
Name: Employee Id, dtype: int64

```

For future analysis, we will now change the type of salary into integer.

1.1.2 Cleaning salary values

```

In [859]: data['Salary'] = data['Salary'].str[1:] # remove the $
data['Salary'] = data['Salary'].str.replace(',', '') # remove the comma
data['Salary'] = [int(i) for i in data['Salary']] # convert them to integers

```

1.2 Convert the sex column to two dummy columns

```

In [860]: data['Sex (Male=1)'] = data['Sex (Male=1)'].map({1:'Male', 0:'Female'})

```

```

In [861]: data_sex = pd.get_dummies(data['Sex (Male=1)'])
data = pd.concat([data, data_sex],axis=1)

```

```

In [862]: data.head()

```

```

Out[862]:   Observation Number  Quarter  Employee Id Sex (Male=1)  Race  Age  \
0              1          1           1      Female      3.0  27
1              2          2           1      Female      3.0  28
2              3          3           1      Female      3.0  28
3              4          4           1      Female      3.0  28
4              5          5           1      Female      3.0  29

   Hospital Visit This Quarter (1=Yes)  Salary  Health Score  Female  Male
0                                0  36907           3.7         1      0
1                                0  37907           5.0         1      0
2                                0  38907           4.0         1      0
3                                0  39907           2.3         1      0
4                                0  40907           2.1         1      0

```

1.2.1 Convert the Hospital visit to 2 dummy columns

```

In [863]: data['Hospital Visit This Quarter (1=Yes)'] = data['Hospital Visit This Quarter (1=Yes)']
data_hosp = pd.get_dummies(data['Hospital Visit This Quarter (1=Yes)'])
data = pd.concat([data, data_hosp],axis=1)

```

```

In [864]: data.head()

```

```

Out[864]:   Observation Number  Quarter  Employee Id Sex (Male=1)  Race  Age  \
0              1          1           1      Female      3.0  27
1              2          2           1      Female      3.0  28
2              3          3           1      Female      3.0  28
3              4          4           1      Female      3.0  28

```

| | | | | | | | |
|---|--|---|---|---|--------|-----|----|
| 4 | | 5 | 5 | 1 | Female | 3.0 | 29 |
|---|--|---|---|---|--------|-----|----|

| | Hospital Visit This Quarter (1=Yes) | Salary | Health Score | Female | Male | \ |
|---|-------------------------------------|--------|--------------|--------|------|---|
| 0 | hosp_no | 36907 | 3.7 | 1 | 0 | |
| 1 | hosp_no | 37907 | 5.0 | 1 | 0 | |
| 2 | hosp_no | 38907 | 4.0 | 1 | 0 | |
| 3 | hosp_no | 39907 | 2.3 | 1 | 0 | |
| 4 | hosp_no | 40907 | 2.1 | 1 | 0 | |

| | hosp_no | hosp_yes |
|---|---------|----------|
| 0 | 1 | 0 |
| 1 | 1 | 0 |
| 2 | 1 | 0 |
| 3 | 1 | 0 |
| 4 | 1 | 0 |

Check the outliers in Age Column

In [866]: data.describe() *#check overall outliers*

Out[866]:

| | Observation Number | Quarter | Employee Id | Race | \ |
|-------|--------------------|--------------|--------------|--------------|---|
| count | 19103.000000 | 19103.000000 | 19103.000000 | 16980.000000 | |
| mean | 9552.000000 | 7.342826 | 998.012249 | 1.597055 | |
| std | 5514.705432 | 3.166792 | 577.313902 | 0.739656 | |
| min | 1.000000 | 1.000000 | 1.000000 | 1.000000 | |
| 25% | 4776.500000 | 5.000000 | 498.000000 | 1.000000 | |
| 50% | 9552.000000 | 8.000000 | 996.000000 | 1.000000 | |
| 75% | 14327.500000 | 10.000000 | 1498.000000 | 2.000000 | |
| max | 19103.000000 | 12.000000 | 2000.000000 | 3.000000 | |

| | Age | Salary | Health Score | Female | Male | \ |
|-------|--------------|--------------|--------------|--------------|--------------|---|
| count | 19103.000000 | 19103.000000 | 19103.000000 | 19103.000000 | 19103.000000 | |
| mean | 30.592263 | 48297.612940 | 3.588379 | 0.491860 | 0.504423 | |
| std | 7.018862 | 5351.301686 | 1.985285 | 0.499947 | 0.499994 | |
| min | 7.000000 | 28351.000000 | 0.600000 | 0.000000 | 0.000000 | |
| 25% | 26.000000 | 44550.500000 | 2.400000 | 0.000000 | 0.000000 | |
| 50% | 29.000000 | 48196.000000 | 3.100000 | 0.000000 | 1.000000 | |
| 75% | 32.000000 | 51958.500000 | 4.100000 | 1.000000 | 1.000000 | |
| max | 172.000000 | 68826.000000 | 10.000000 | 1.000000 | 1.000000 | |

| | hosp_no | hosp_yes |
|-------|--------------|--------------|
| count | 19103.000000 | 19103.000000 |
| mean | 0.888552 | 0.111448 |
| std | 0.314695 | 0.314695 |
| min | 0.000000 | 0.000000 |
| 25% | 1.000000 | 0.000000 |
| 50% | 1.000000 | 0.000000 |
| 75% | 1.000000 | 0.000000 |
| max | 1.000000 | 1.000000 |

```
In [867]: data["Age"].value_counts(ascending = True).sort_index(ascending = False)[:10]
```

```
Out[867]: 172      1
          171      4
          170      3
          72      1
          71      4
          70      4
          62      2
          61      4
          60      4
          59     14
          Name: Age, dtype: int64
```

```
In [868]: data["Age"].value_counts(ascending = True).sort_index(ascending = True)[:10]
```

```
Out[868]: 7        3
          8        4
          16       4
          17       7
          18       4
          19       4
          20       1
          22      20
          23     319
          24     915
          Name: Age, dtype: int64
```

We can see from the age group that there are some outliers. Say eighteen years old is the bar for working at this company, there are: 4 people 8 years old, 3 people 7 years old, 7 people 17 years old, 4 people 16 years old, 4 people 171 years old, 1 person 172 years old, 3 people 170 years old.

1.2.2 Check the outliers in health score data:

We do the same with health scores, as we saw in the describe that there were some scores > 6

```
In [869]: bad_health_scores = data[data['Health Score'] == 10]
```

```
In [870]: bad_health_scores.head()
```

```
Out[870]:
```

| | Observation Number | Quarter | Employee Id | Sex (Male=1) | Race | Age | \ |
|-----|--------------------|---------|-------------|--------------|------|-----|---|
| 77 | 78 | 3 | 9 | Male | 1.0 | 29 | |
| 105 | 106 | 12 | 11 | Male | 1.0 | 35 | |
| 107 | 108 | 6 | 12 | Male | 2.0 | 32 | |
| 121 | 122 | 11 | 13 | Female | NaN | 32 | |
| 137 | 138 | 4 | 15 | Male | 1.0 | 24 | |

| | Hospital Visit This Quarter (1=Yes) | Salary | Health Score | Female | Male | \ |
|----|-------------------------------------|--------|--------------|--------|------|---|
| 77 | hosp_no | 50493 | 10.0 | 0 | 1 | |

| | | | | | |
|-----|---------|-------|------|---|---|
| 105 | hosp_no | 62588 | 10.0 | 0 | 1 |
| 107 | hosp_no | 43595 | 10.0 | 0 | 1 |
| 121 | hosp_no | 47246 | 10.0 | 1 | 0 |
| 137 | hosp_no | 52559 | 10.0 | 0 | 1 |

| | hosp_no | hosp_yes |
|-----|---------|----------|
| 77 | 1 | 0 |
| 105 | 1 | 0 |
| 107 | 1 | 0 |
| 121 | 1 | 0 |
| 137 | 1 | 0 |

```
In [871]: data["Health Score"].value_counts(ascending = True).sort_index(ascending = False)[:6]
```

```
Out[871]: 10.0    1238
          6.0      28
          Name: Health Score, dtype: int64
```

1.2.3 We start by dropping all Null values and removing obvious outliers

```
In [872]: #find the null values and count them
          data.isna().any()
```

```
Out[872]: Observation Number      False
          Quarter                False
          Employee Id            False
          Sex (Male=1)           True
          Race                   True
          Age                    False
          Hospital Visit This Quarter (1=Yes) False
          Salary                 False
          Health Score           False
          Female                 False
          Male                   False
          hosp_no                False
          hosp_yes               False
          dtype: bool
```

```
In [873]: data['Race'].isnull().sum()
```

```
Out[873]: 2123
```

```
In [874]: data['Age'].isnull().sum()
```

```
Out[874]: 0
```

```
In [875]: data['Sex (Male=1)'].isnull().sum()
```

```
Out[875]: 71
```

```
In [876]: data.dropna().shape
```

```
Out[876]: (16927, 13)
```

```
In [877]: data.dropna(inplace=True)
```

```
In [878]: #remove the age that are older than 100 and younger than 18
age_mask = (data['Age'] >= 18) & (data['Age'] <=100)
#remove the health score higher than 6
health_score_mask = data['Health Score'] <= 6.0
```

```
In [879]: data = data[age_mask & health_score_mask]
```

```
In [880]: data.describe() #check some outliers
```

```
Out[880]:
```

| | Observation Number | Quarter | Employee Id | Race \ |
|-------|--------------------|--------------|--------------|--------------|
| count | 15867.000000 | 15867.000000 | 15867.000000 | 15867.000000 |
| mean | 9533.825046 | 7.331317 | 996.031008 | 1.599546 |
| std | 5453.117067 | 3.159958 | 570.788420 | 0.740055 |
| min | 1.000000 | 1.000000 | 1.000000 | 1.000000 |
| 25% | 4893.500000 | 5.000000 | 510.000000 | 1.000000 |
| 50% | 9572.000000 | 8.000000 | 997.000000 | 1.000000 |
| 75% | 14220.500000 | 10.000000 | 1487.000000 | 2.000000 |
| max | 19031.000000 | 12.000000 | 1993.000000 | 3.000000 |

| | Age | Salary | Health Score | Female | Male \ |
|-------|--------------|--------------|--------------|--------------|--------------|
| count | 15867.000000 | 15867.000000 | 15867.000000 | 15867.000000 | 15867.000000 |
| mean | 30.436756 | 48396.840108 | 3.148598 | 0.494044 | 0.505956 |
| std | 6.263306 | 5375.858441 | 1.080626 | 0.499980 | 0.499980 |
| min | 18.000000 | 28351.000000 | 0.600000 | 0.000000 | 0.000000 |
| 25% | 26.000000 | 44628.000000 | 2.300000 | 0.000000 | 0.000000 |
| 50% | 29.000000 | 48319.000000 | 3.000000 | 0.000000 | 1.000000 |
| 75% | 32.000000 | 52089.000000 | 3.900000 | 1.000000 | 1.000000 |
| max | 72.000000 | 68826.000000 | 6.000000 | 1.000000 | 1.000000 |

| | hosp_no | hosp_yes |
|-------|--------------|--------------|
| count | 15867.000000 | 15867.000000 |
| mean | 0.891851 | 0.108149 |
| std | 0.310578 | 0.310578 |
| min | 0.000000 | 0.000000 |
| 25% | 1.000000 | 0.000000 |
| 50% | 1.000000 | 0.000000 |
| 75% | 1.000000 | 0.000000 |
| max | 1.000000 | 1.000000 |

Check the race data outliers

```
In [881]: data["Race"].value_counts(ascending = True)
```

```
Out [881]: 3.0    2440
          2.0    4633
          1.0    8794
          Name: Race, dtype: int64
```

We can see 1.0 race is the majority in the company.

```
In [882]: pd.crosstab(data['Race'], data['Sex (Male=1)'])
```

```
Out [882]: Sex (Male=1)  Female  Male
          Race
          1.0           4420  4374
          2.0           2263  2370
          3.0           1156  1284
```

We can see in each race group, there are more male employees than female.

1.2.4 Data Preprocessing:

Outliers and missing values:

Health Score data: there are 1238 records(6.48% of total obs) that are denoted as 10, which are out of the reasonable range 0-6.

Age data: There are 26 people having unreasonable ages out of the reasonable age 18-100: 3 people age seven, 4 people age eight, 4 people age sixteen, 7 people age seventeen, 1 person age 172, 4 people age 171, 3 people age 170. So I removed these erroneous ages.

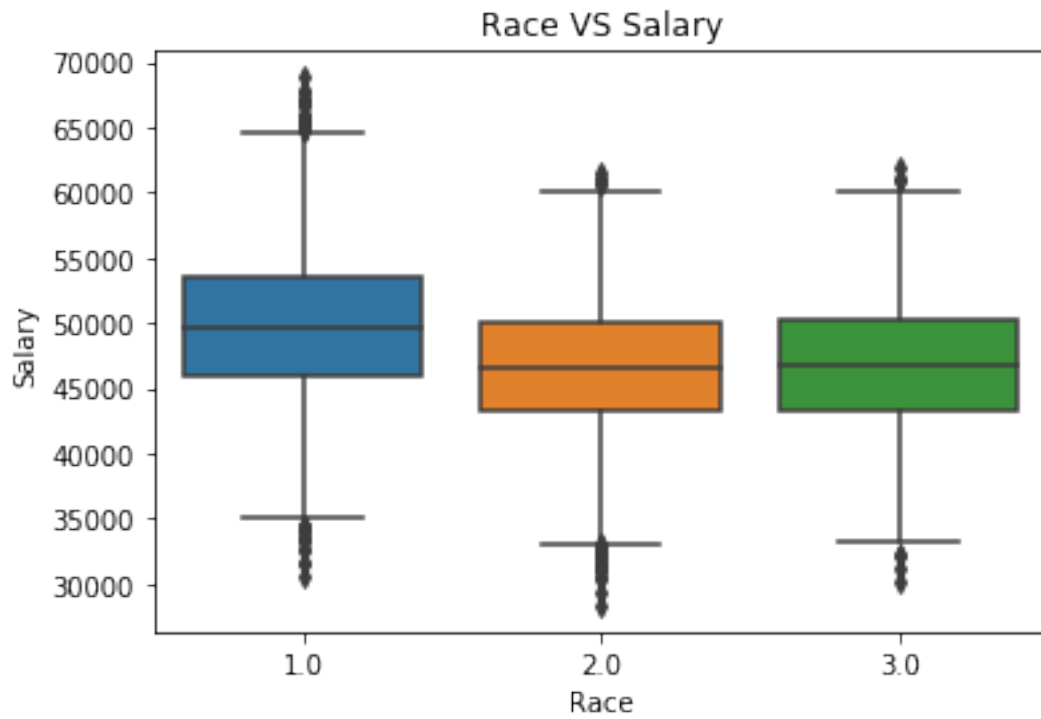
As for Sex data, I found 71 missing values(0.37% of total obs) and 2123 missing values in Race data(11.11% of total obs).

I removed all the outliers and missing data values. All the following charts and analysis stemmed from the modified dataset.

1.2.5 Understanding the employees' characteristics

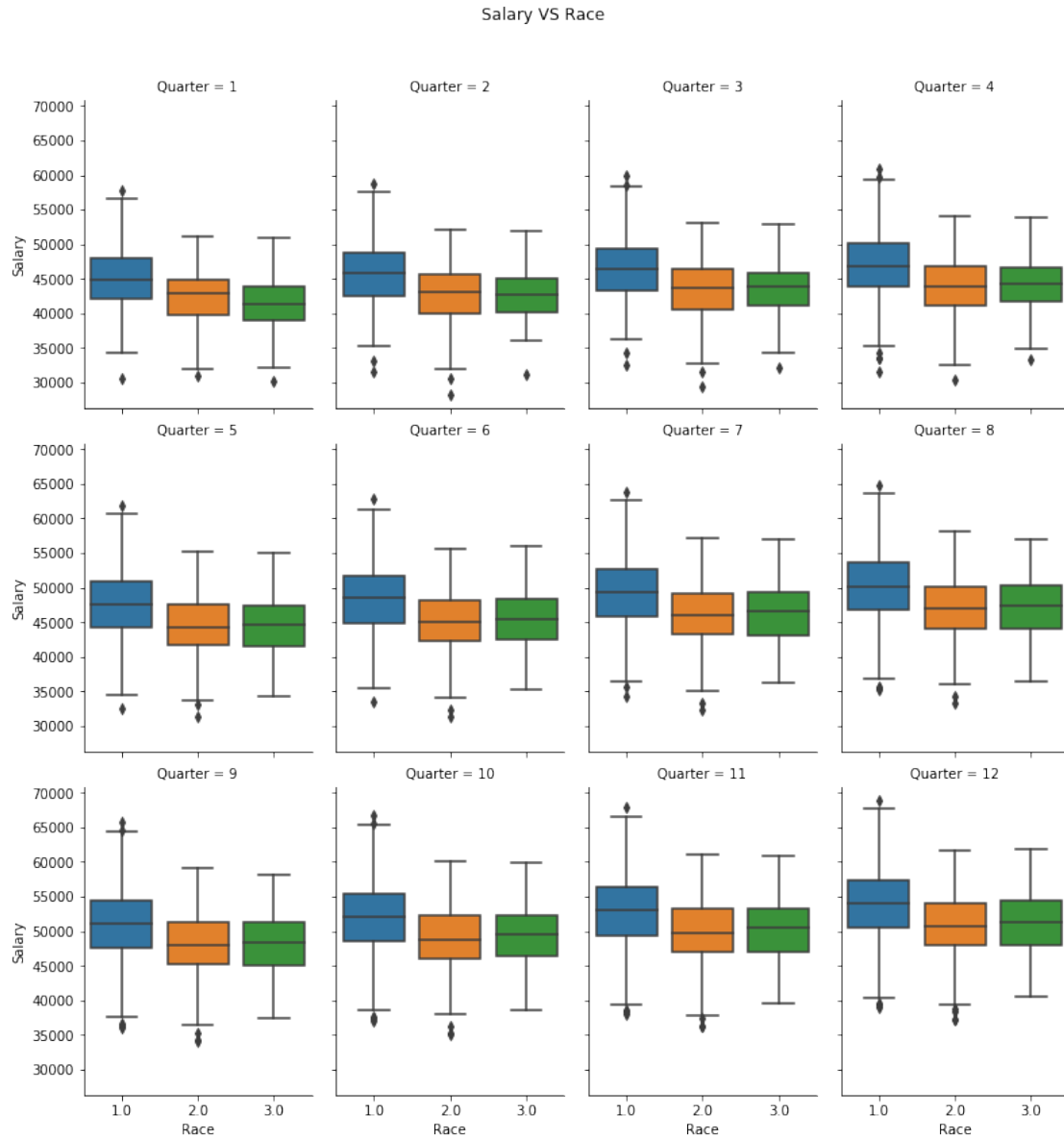
Salary VS Race

```
In [885]: sns.boxplot(y='Salary', x='Race', data=data).set_title('Race VS Salary')
          plt.figure(figsize=(10,5))
          plt.show();
```

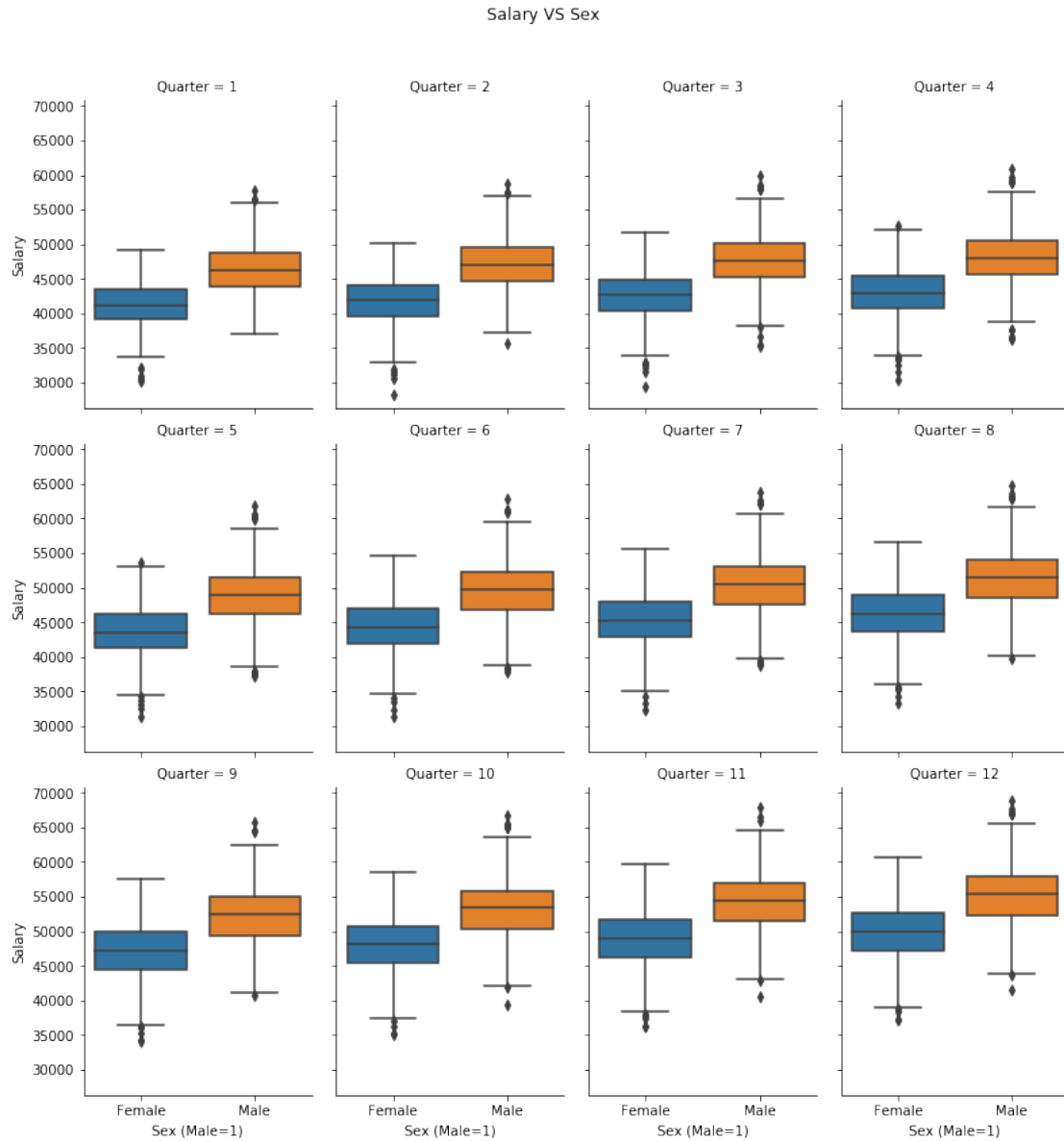
<Figure size 720x360 with 0 Axes>

```
In [921]: g = sns.catplot(y='Salary', x= 'Race', data=data,col = 'Quarter', kind='box',col_wrap=2)
          g.fig.suptitle('Salary VS Race')
          g.fig.subplots_adjust(top=.9)
```



1.2.6 Salary VS Sex

```
In [920]: g = sns.catplot(y='Salary', x='Sex (Male=1)', data=data, col='Quarter', kind='box'
g.fig.suptitle('Salary VS Sex')
g.fig.subplots_adjust(top=.9)
```



```
In [886]: sns.boxplot(y='Salary', x= 'Sex (Male=1)', data=data).set_title('Salary VS Sex')
plt.figure(figsize=(10,5))
#plt.title('Race VS Salary')
plt.show();
```



<Figure size 720x360 with 0 Axes>

Salary: we can see that male employees are on the higher end of salary distribution, while female are in the lower spectrum. Male has a much higher median value insalary than women. And we can see that 1.0 race is on the higher end of salary distribution than the other two races.

1.2.7 Do demographic factors change over time?

```
In [914]: result = data.groupby(['Quarter', 'Sex (Male=1)']).agg({'Quarter': np.size, 'Age': np.average,
result.rename(columns={'Age': 'avg_age', 'Salary': 'avg_salary', 'Quarter': 'Obs'}, inplace=True)
result
```

```
Out[914]:
```

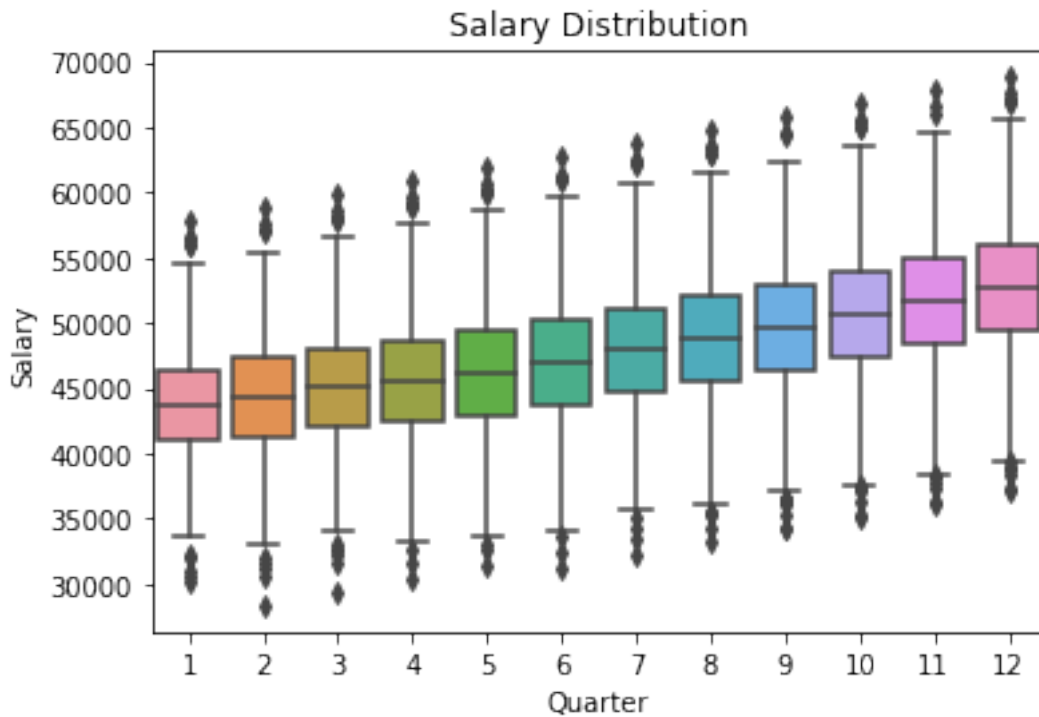
| | | Obs | avg_age | avg_salary |
|---------|--------------|-----|-----------|--------------|
| Quarter | Sex (Male=1) | | | |
| 1 | Female | 287 | 28.665505 | 41156.839721 |
| | Male | 274 | 28.715328 | 46412.310219 |
| 2 | Female | 379 | 28.306069 | 41766.229551 |
| | Male | 357 | 28.708683 | 47081.521008 |
| 3 | Female | 475 | 28.667368 | 42567.726316 |
| | Male | 476 | 28.590336 | 47661.571429 |
| 4 | Female | 604 | 28.701987 | 43050.943709 |
| | Male | 612 | 28.772876 | 48071.101307 |
| 5 | Female | 693 | 29.057720 | 43604.213564 |

| | | | | |
|----|--------|-----|-----------|--------------|
| | Male | 708 | 29.269774 | 48804.081921 |
| 6 | Female | 730 | 29.838356 | 44414.619178 |
| | Male | 751 | 29.684421 | 49565.834887 |
| 7 | Female | 747 | 30.283802 | 45334.453815 |
| | Male | 801 | 30.491885 | 50353.918851 |
| 8 | Female | 765 | 30.768627 | 46192.368627 |
| | Male | 799 | 30.739675 | 51283.957447 |
| 9 | Female | 779 | 31.369705 | 47077.189987 |
| | Male | 799 | 31.118899 | 52175.344180 |
| 10 | Female | 783 | 31.578544 | 47993.574713 |
| | Male | 822 | 31.515815 | 53120.951338 |
| 11 | Female | 810 | 32.230864 | 48869.516049 |
| | Male | 817 | 31.872705 | 54198.216646 |
| 12 | Female | 787 | 32.481576 | 49853.050826 |
| | Male | 812 | 31.987685 | 55152.822660 |

The number of employees in the company is increasing over time. And there is a balanced ratio between male and female employees.

1.2.8 Salary Distribution

```
In [888]: sns.boxplot(y='Salary', x= 'Quarter', data=data).set_title('Salary Distribution')
plt.figure(figsize=(10,5))
plt.show();
```

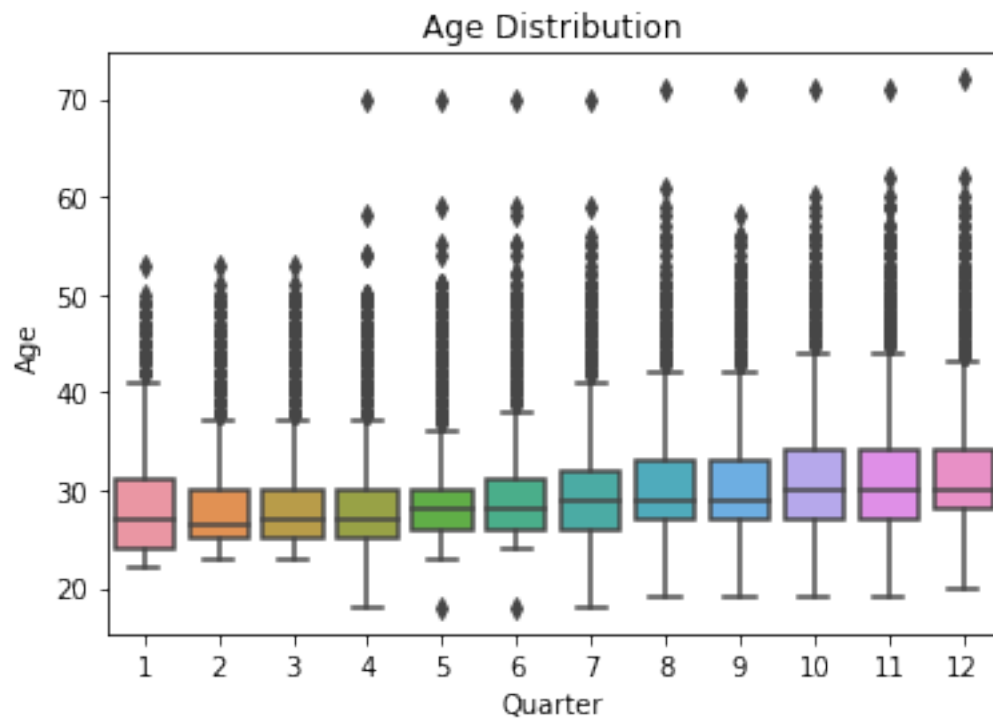


<Figure size 720x360 with 0 Axes>

The employees' salary is centered around \$42000 ~ \$52000 . Additionally, their salaries are increasing over time.

1.2.9 Age Distribution

```
In [889]: sns.boxplot(y='Age', x= 'Quarter', data=data).set_title('Age Distribution')
plt.figure(figsize=(10,5))
plt.show();
```



<Figure size 720x360 with 0 Axes>

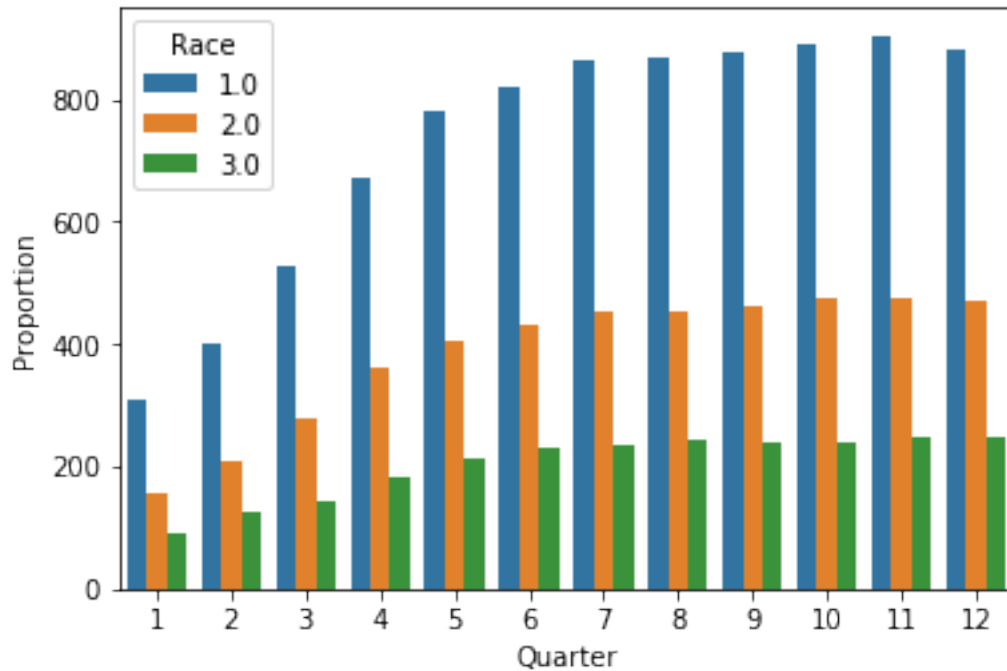
Employees in the company are young, their age concentrate in the range 28-32. And we can see that all the employees are aging over time,

1.2.10 Race change over time

```
In [919]: df = data
x, y, hue = "Quarter", "Proportion", "Race"
hue_order = ["1.0", "2.0", "3.0"]
```

```
(df[x]
.groupby(df[hue])
.value_counts()
.rename(y)
.reset_index()
.pipe((sns.barplot, "data"), x=x, y=y, hue=hue))
```

Out[919]: <matplotlib.axes._subplots.AxesSubplot at 0x1c3086c470>



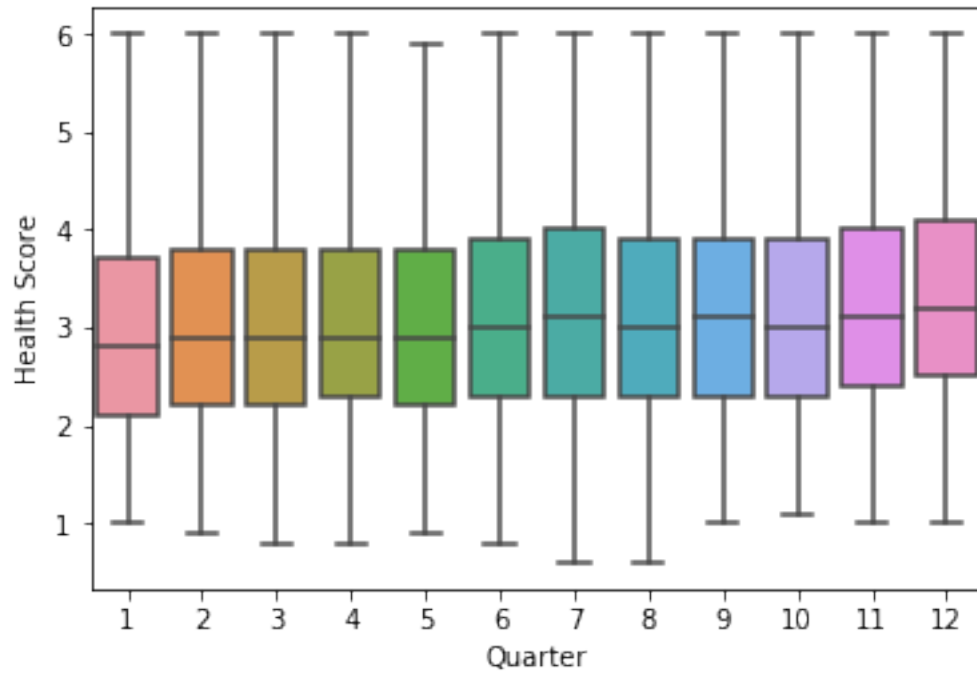
The 1.0 race has the largest proportion in the company. But all races are increasing over time.

1.3 Explore Relationships

Which characteristics are associated with the health score?

1.3.1 Health Score VS Quarter

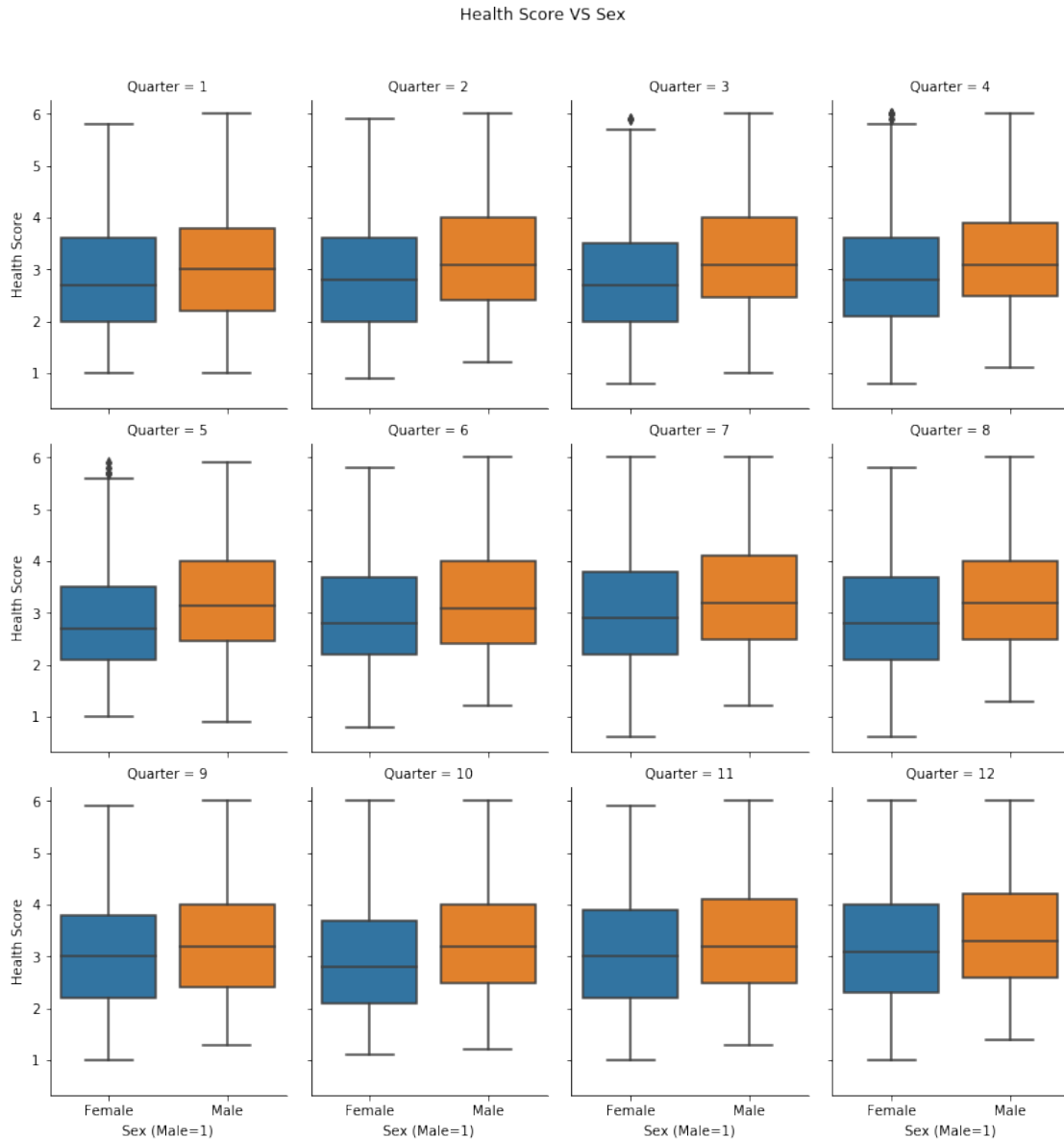
```
In [893]: sns.boxplot(y='Health Score', x='Quarter', data=data)
plt.figure(figsize=(10,5))
plt.show();
```



<Figure size 720x360 with 0 Axes>

1.3.2 Health Score VS Sex

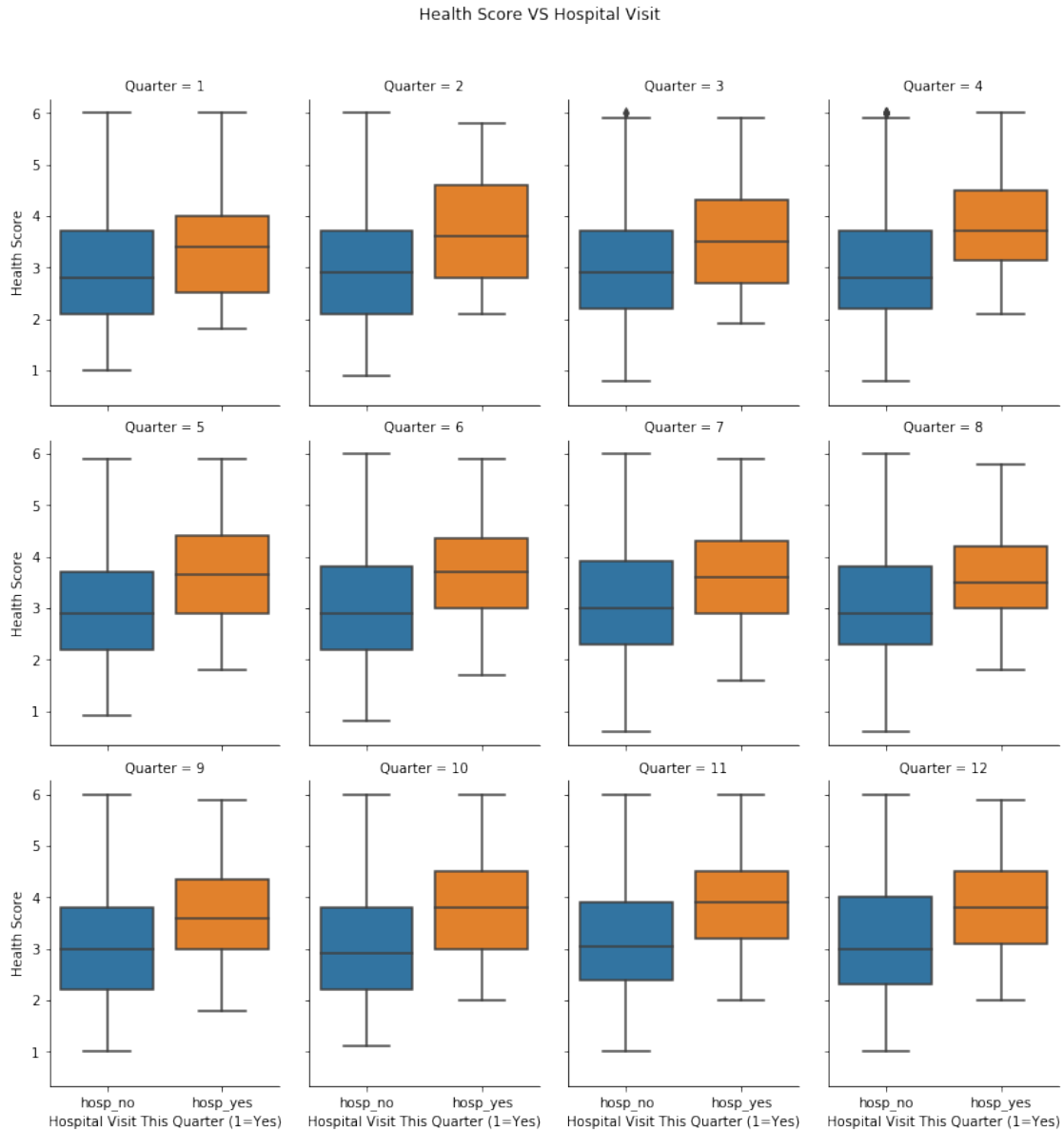
```
In [894]: g = sns.catplot(y='Health Score', x= 'Sex (Male=1)', data=data,col = 'Quarter', kind='box')
g.fig.suptitle('Health Score VS Sex')
g.fig.subplots_adjust(top=.9)
```

Male employees have higher health scores than female employees

1.3.3 Health Score VS Hospital Visit

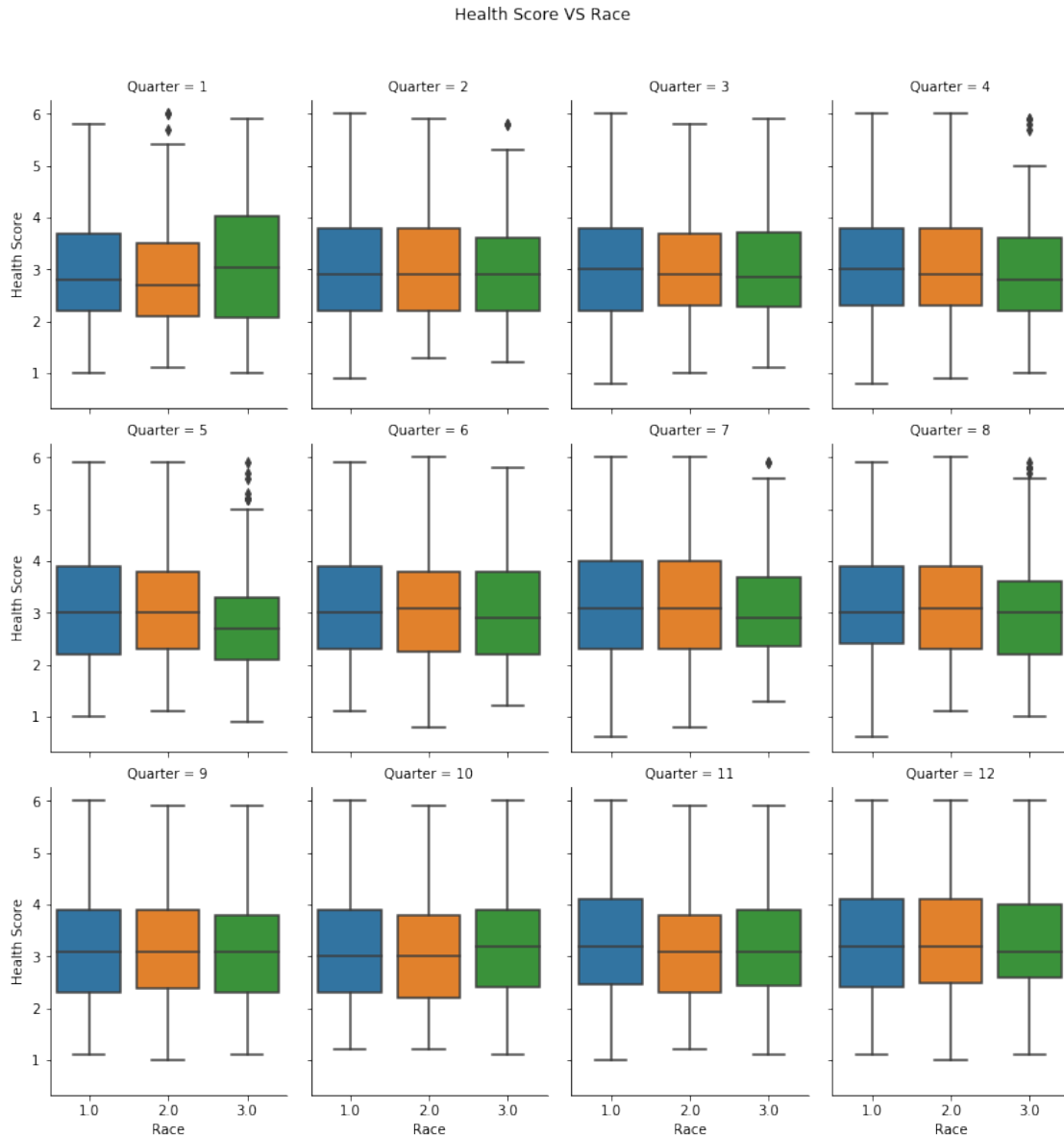
```
In [895]: g = sns.catplot(y='Health Score', x='Hospital Visit This Quarter (1=Yes)', data=data)
g.fig.suptitle('Health Score VS Hospital Visit')
g.fig.subplots_adjust(top=.9)
```



We can see employees who visit hospital have higher health scores.

1.3.4 Health Score VS Race

```
In [897]: g = sns.catplot(y='Health Score', x='Race', data=data,col = 'Quarter', kind='box',c
          g.fig.suptitle('Health Score VS Race')
          g.fig.subplots_adjust(top=.9)
```

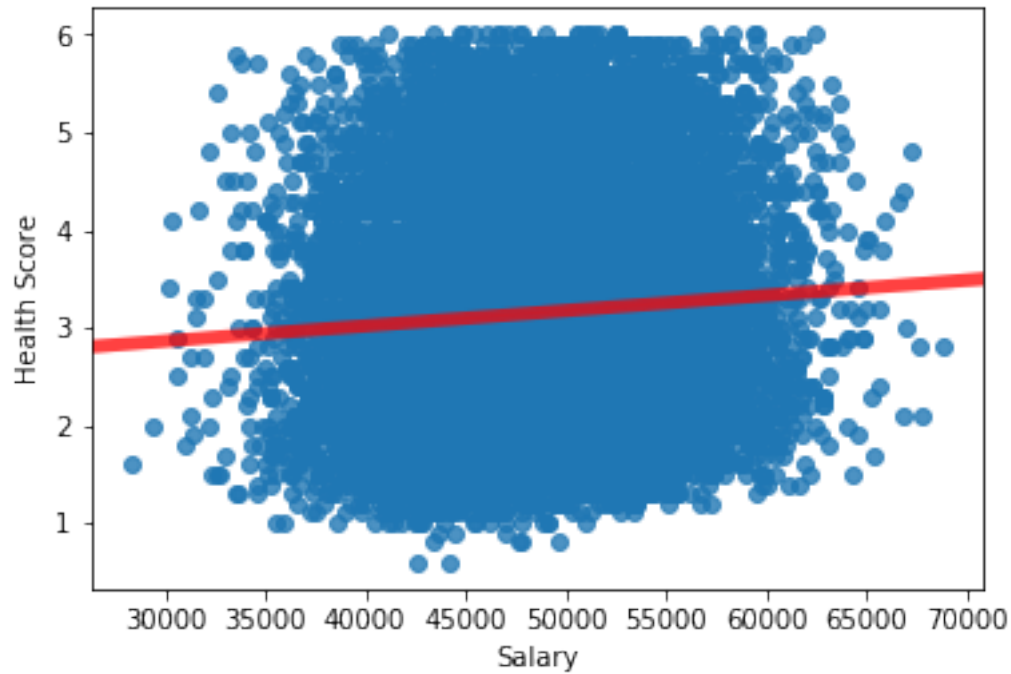


There is no relationship between health score and race.

1.3.5 Health Score VS Salary

```
In [899]: sns.regplot(x='Salary', y='Health Score', data=data, line_kws={"color": "r", "alpha": 0.7})
```

```
Out[899]: <matplotlib.axes._subplots.AxesSubplot at 0x1c30a22278>
```



Employees with higher salaries have higher health scores.

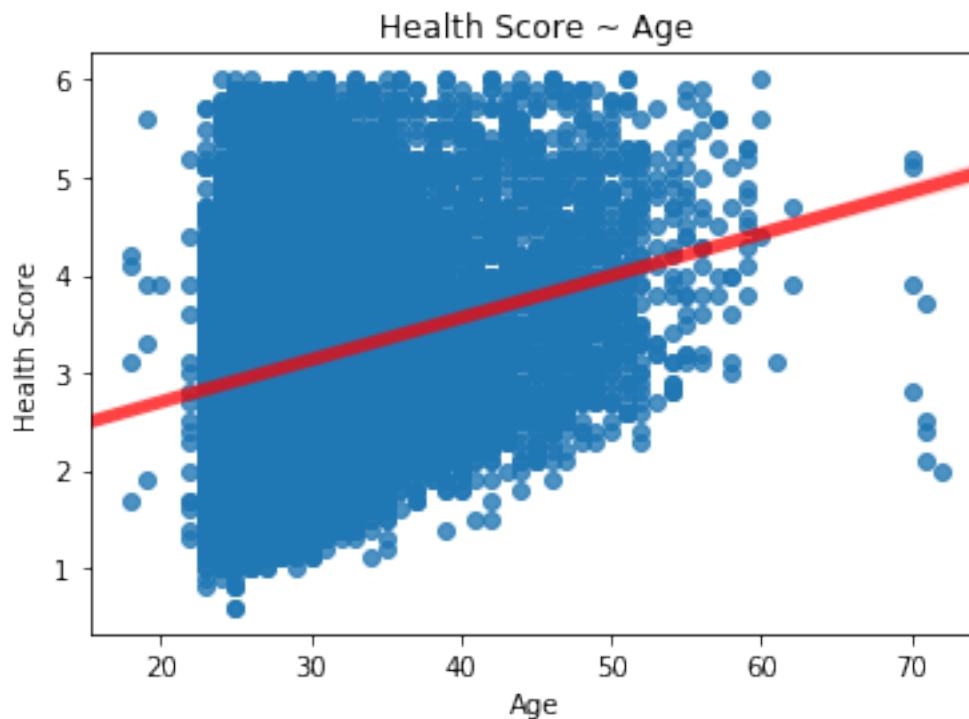
1.3.6 Health Score VS Age

It is well known that people's health deteriorates as they get older, so here is simple linear model health score ~ age

```
In [900]: import statsmodels.api as sm
```

```
In [901]: sns.regplot(x='Age', y='Health Score', data=data, line_kws={"color": "r", "alpha": 0.7, "lw": 3})
```

```
Out[901]: Text(0.5, 1.0, 'Health Score ~ Age')
```



```
In [902]: y = data['Health Score']
          X = data['Age']

# Note the difference in argument order
model = sm.OLS(y, X).fit()
predictions = model.predict(X) # make the predictions by the model

# Print out the statistics
model.summary()
```

```
Out[902]: <class 'statsmodels.iolib.summary.Summary'>
        """
```

```

                                OLS Regression Results
=====
Dep. Variable:                  Health Score    R-squared:                  0.889
Model:                            OLS         Adj. R-squared:              0.889
Method:                 Least Squares         F-statistic:                1.269e+05
Date:                Thu, 11 Apr 2019         Prob (F-statistic):          0.00
Time:                  13:36:48               Log-Likelihood:            -24167.
No. Observations:                15867         AIC:                     4.834e+04
Df Residuals:                    15866         BIC:                     4.834e+04
Df Model:                            1
Covariance Type:                nonrobust
=====
```

| | coef | std err | t | P> t | [0.025 | 0.975] |
|----------------|--------|---------|-------------------|-------|----------|--------|
| Age | 0.1010 | 0.000 | 356.203 | 0.000 | 0.100 | 0.102 |
| ===== | | | | | | |
| Omnibus: | | 419.848 | Durbin-Watson: | | 1.765 | |
| Prob(Omnibus): | | 0.000 | Jarque-Bera (JB): | | 445.256 | |
| Skew: | | 0.400 | Prob(JB): | | 2.06e-97 | |
| Kurtosis: | | 2.819 | Cond. No. | | 1.00 | |
| ===== | | | | | | |

Warnings:

```
[1] Standard Errors assume that the covariance matrix of the errors is correctly spe
"""
```

Employees who are older have higher health scores than younger employees. As I delve deeper, I found that older age is also correlated with higher salaries. Because male is also positively correlated with high salaries, I think older age and being male are factors behind the salary and health correlation.

Based on the insights from the findings, I would assume that male, hospital visit and age will lead to higher health scores.

1.4 Evaluating the Claim

Using the information from Questions 1 and 2, describe how you would evaluate InsurAHealth's claim that employees are getting sicker.

I would like to know if health score is a reliable measurement of employees' actual health conditions. There are two approaches I would take to examine this 1. As new employees come to the company each quarter, the employee id records vary in quarter time. These new employees might be the reason why health scores are high. I select only the employees who have been working here for 12 quarters to examine if any external factors have any effect on their health conditions, as the new employees may drive up the health scores.

1. Select employees who have been working here for 12 quarters

```
In [903]: #Find out the employee Id which has 12 quarter data records
data_list = data.loc[data['Quarter'] == 1]
data_emlist = data_list['Employee Id'].to_list()

data_12q = data.loc[data['Employee Id'].isin(data_emlist)]
data_12q.head()
```

```
Out[903]:
```

| | Observation | Number | Quarter | Employee Id | Sex (Male=1) | Race | Age | \ |
|---|-------------|--------|---------|-------------|--------------|------|-----|---|
| 0 | 1 | 1 | 1 | 1 | Female | 3.0 | 27 | |
| 1 | 2 | 2 | 2 | 1 | Female | 3.0 | 28 | |
| 2 | 3 | 3 | 3 | 1 | Female | 3.0 | 28 | |
| 3 | 4 | 4 | 4 | 1 | Female | 3.0 | 28 | |
| 4 | 5 | 5 | 5 | 1 | Female | 3.0 | 29 | |

| | Hospital Visit This Quarter (1=Yes) | Salary | Health Score | Female | Male | \ |
|---|-------------------------------------|--------|--------------|--------|------|---|
| 0 | hosp_no | 36907 | 3.7 | 1 | 0 | |
| 1 | hosp_no | 37907 | 5.0 | 1 | 0 | |
| 2 | hosp_no | 38907 | 4.0 | 1 | 0 | |
| 3 | hosp_no | 39907 | 2.3 | 1 | 0 | |
| 4 | hosp_no | 40907 | 2.1 | 1 | 0 | |

| | hosp_no | hosp_yes |
|---|---------|----------|
| 0 | 1 | 0 |
| 1 | 1 | 0 |
| 2 | 1 | 0 |
| 3 | 1 | 0 |
| 4 | 1 | 0 |

Calculate the percentage of people visiting hospital

```
In [904]: data_hosp = data_12q.groupby(['Quarter', 'Hospital Visit This Quarter (1=Yes)']).count()
data_hosp.head()
data_hosp.shape
#data_hosp
```

```
Out[904]: (24, 11)
```

```
In [905]: data_hosp = data_hosp.pivot_table(index='Quarter', columns= 'Hospital Visit This Quarter (1=Yes)')
```

```
In [906]: data_hosp = data_hosp['Employee Id']
data_hosp.head()
```

```
Out[906]: Hospital Visit This Quarter (1=Yes)  hosp_no  hosp_yes
Quarter
1                520         41
2                478         47
3                469         59
4                471         55
5                482         48
```

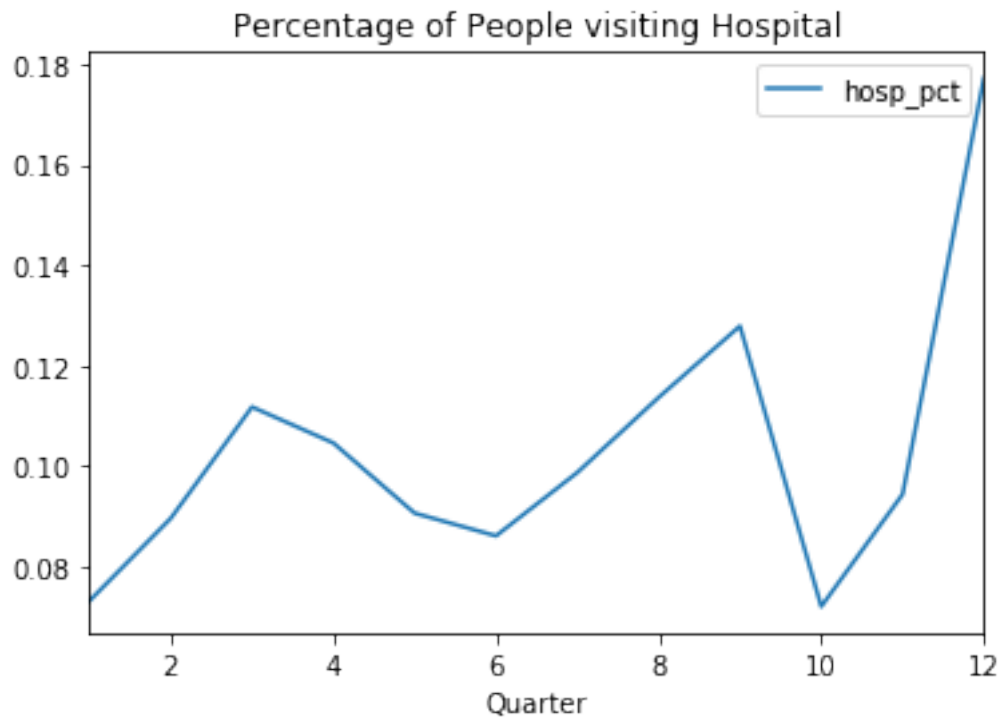
```
In [907]: data_hosp['hosp_pct'] =data_hosp['hosp_yes']/(data_hosp['hosp_no'] + data_hosp['hosp_yes'])
data_hosp = data_hosp.reset_index()
data_hosp
```

```
Out[907]: Hospital Visit This Quarter (1=Yes)  Quarter  hosp_no  hosp_yes  hosp_pct
0                1                520         41  0.073084
1                2                478         47  0.089524
2                3                469         59  0.111742
3                4                471         55  0.104563
4                5                482         48  0.090566
5                6                478         45  0.086042
6                7                475         52  0.098672
7                8                468         60  0.113636
```

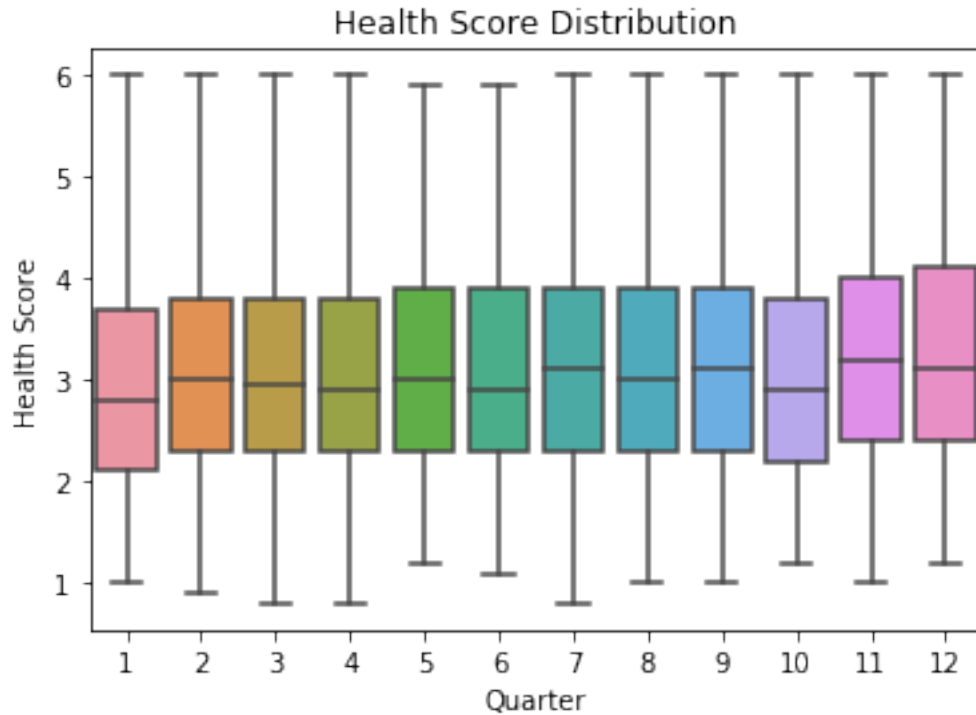
| | | | | |
|----|----|-----|----|----------|
| 8 | 9 | 457 | 67 | 0.127863 |
| 9 | 10 | 490 | 38 | 0.071970 |
| 10 | 11 | 480 | 50 | 0.094340 |
| 11 | 12 | 427 | 92 | 0.177264 |

In [909]: data_hosp.plot(x='Quarter',y='hosp_pct',title='Percentage of People visiting Hospital')

Out[909]: <matplotlib.axes._subplots.AxesSubplot at 0x1c3224ab70>



In [910]: sns.boxplot(y='Health Score', x= 'Quarter', data=data_12q).set_title('Health Score D
plt.figure(figsize=(10,5))
plt.show();



<Figure size 720x360 with 0 Axes>

So I first plotted the percentage of people visiting hospital in each quarter and I found that the number of people going to hospitals vary in quarters. To validate this assumption, I used the health score distribution in each quarter to look into this. However, this doesn't support my previous assumption. But I think we could dig deeper and see if some interesting results can be found.

2. As we learn from the findings, going to hospital also relates to higher health scores. We might be led to assume that going to hospital indicates employee's poor health. But this is not necessarily the case, the employees might care a lot about their health. They might go to the hospital for more frequent checkups, thus more medical documents are generated, which I assume would be related to health scores. In this case, going to hospital does get us to higher health scores(from the findings), but it doesn't necessarily relate to poorer health. Although the formula for developing the health score is not public, I would raise a question to the correlation between going to hospital and higher health scores.