



**ELDER RESEARCH**  
DATA SCIENCE • MACHINE LEARNING • AI



## **Machine Learning: Data-Driven Insight in Health Care**

# About Elder Research



**60+** Expert  
Data Science  
Practitioners



**23** Years  
of Experience



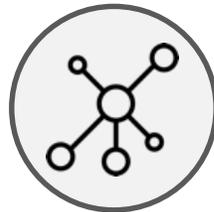
**5** Locations  
Charlottesville, VA  
Baltimore, MD  
Washington, DC  
Raleigh, NC  
London, UK



Data Science and  
Machine Learning



Text Mining and  
NLP



SNA and  
Graph Analytics



Advanced  
Data Visualization



Training and  
Teaching

# Using Analytics to Drive Medical Value

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## Operational

- **build** provider profiles
- **identify** fraud waste and abuse
- business process improvement

## Financial

- **optimize** claims management
- collections and payment model
- **improve** readmission rates

## Clinical

- **predict** disease, severity, and progression
- treatment **optimization**
- patient risk segmentation

## Governance

- **improve** with analytics screening
- data engineering
- infrastructure (cloud management)



# The 10 Levels of Analytics

Advanced Analytics	Data + Expert	<b>LEVEL 10: CAUSAL MODELING</b> Example: Testing Effects of Future Legislation		
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# Increase Patient-Responsible Pay Rate

# The 10 Levels of Analytics

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# Increase Patient-Responsible Pay Rate

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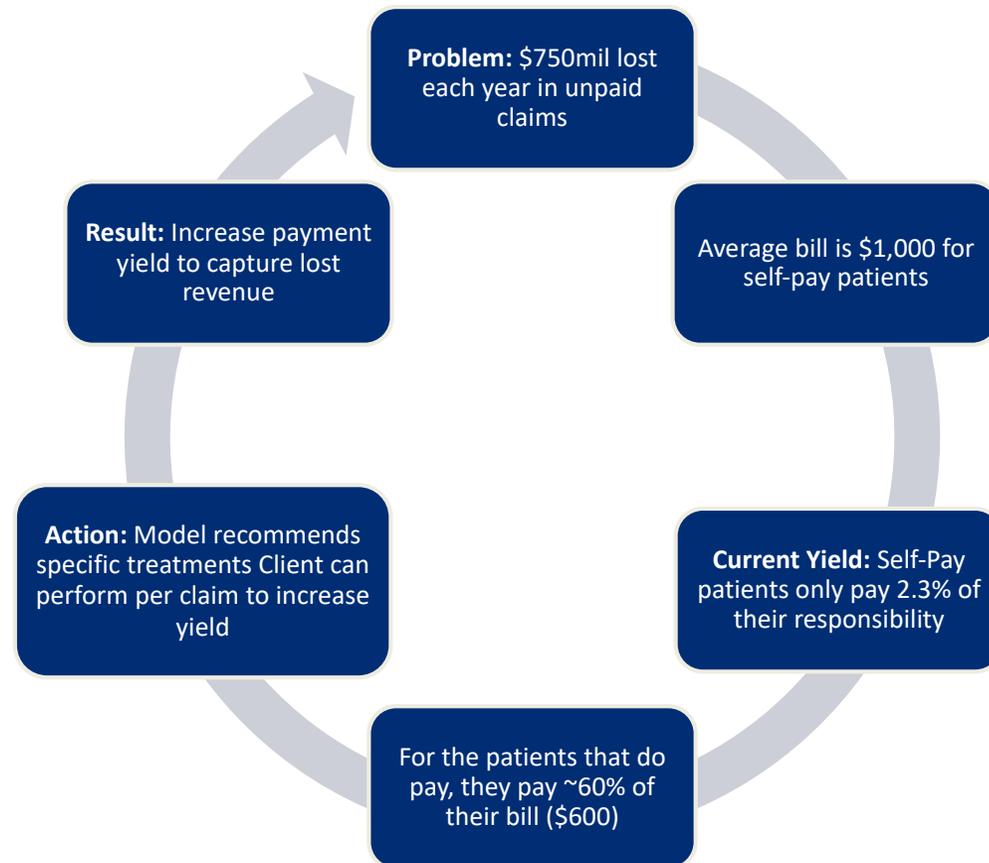
## Challenge

Elder Research needed to identify patients who were not likely to pay their bill, and how to persuade those patients to pay

# Increase Patient-Responsible Pay Rate

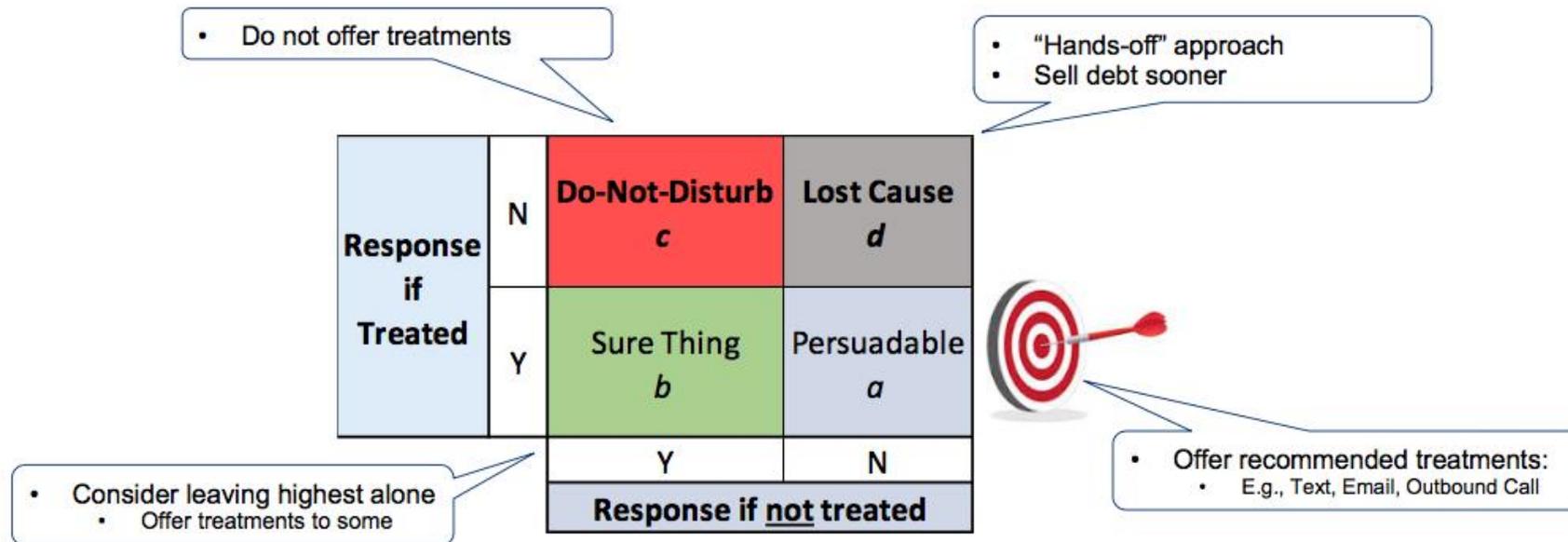
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Elder Research needed to identify patients who were not likely to pay their bill, and how to persuade those patients to pay



# Increase Patient-Responsible Pay Rate

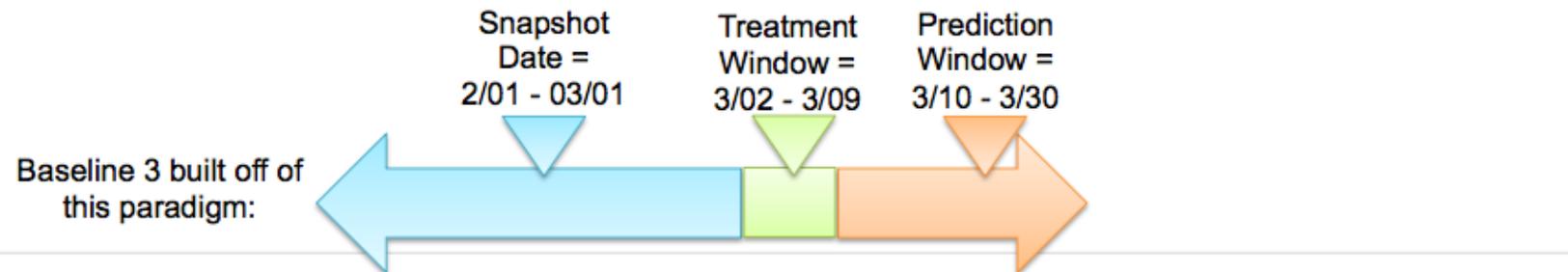
Our goal is to maximize potential value from all claims, by driving appropriate actions based on propensity-to-pay



# Increase Patient-Responsible Pay Rate

Treatment effects model

- Look at the 10 different possibilities (including combinations)



# Increase Patient-Responsible Pay Rate

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## Challenge

Elder Research needed to identify patients who were not likely to pay their bill, and how to persuade those patients to pay

## Solution

Build a treatment effect prescriptive model testing various approaches

## Results

Model accuracy of 88%

63% lift in patient-responsible pay rate

Recommended methods for contacting the Persuadable group

# Parkinson's Test Recommendation Engine

# Parkinson's Test Recommendation Engine

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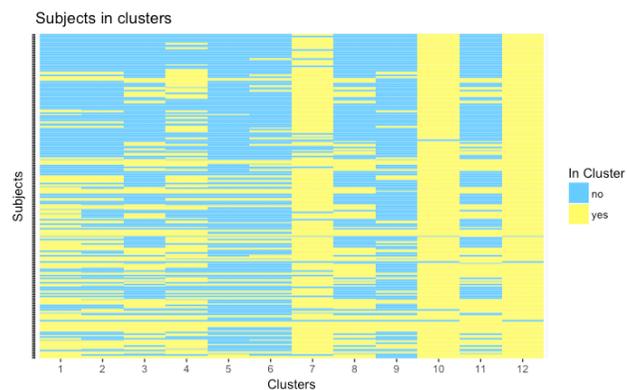
## Challenge

Research programs, treatment clinics, and physician's offices vary in the types of data and medical test results they collect on Parkinson's patients. Capitalizing on the extreme variability in patient data, Elder Research was eager to determine which tests offer the greatest value in disease prediction and if the importance of a key test be affected when data from further medical tests becomes available

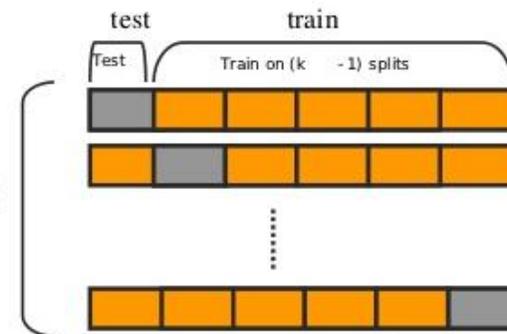
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# Parkinson's Test Recommendation Engine



k-fold

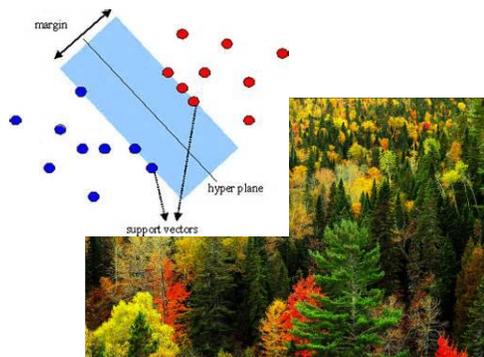


**Boruta**

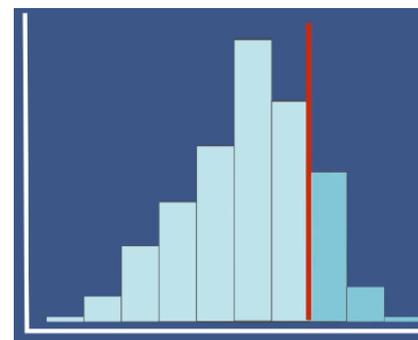
All relevant features selected

**RFE**

Minimal Feature Selection



&



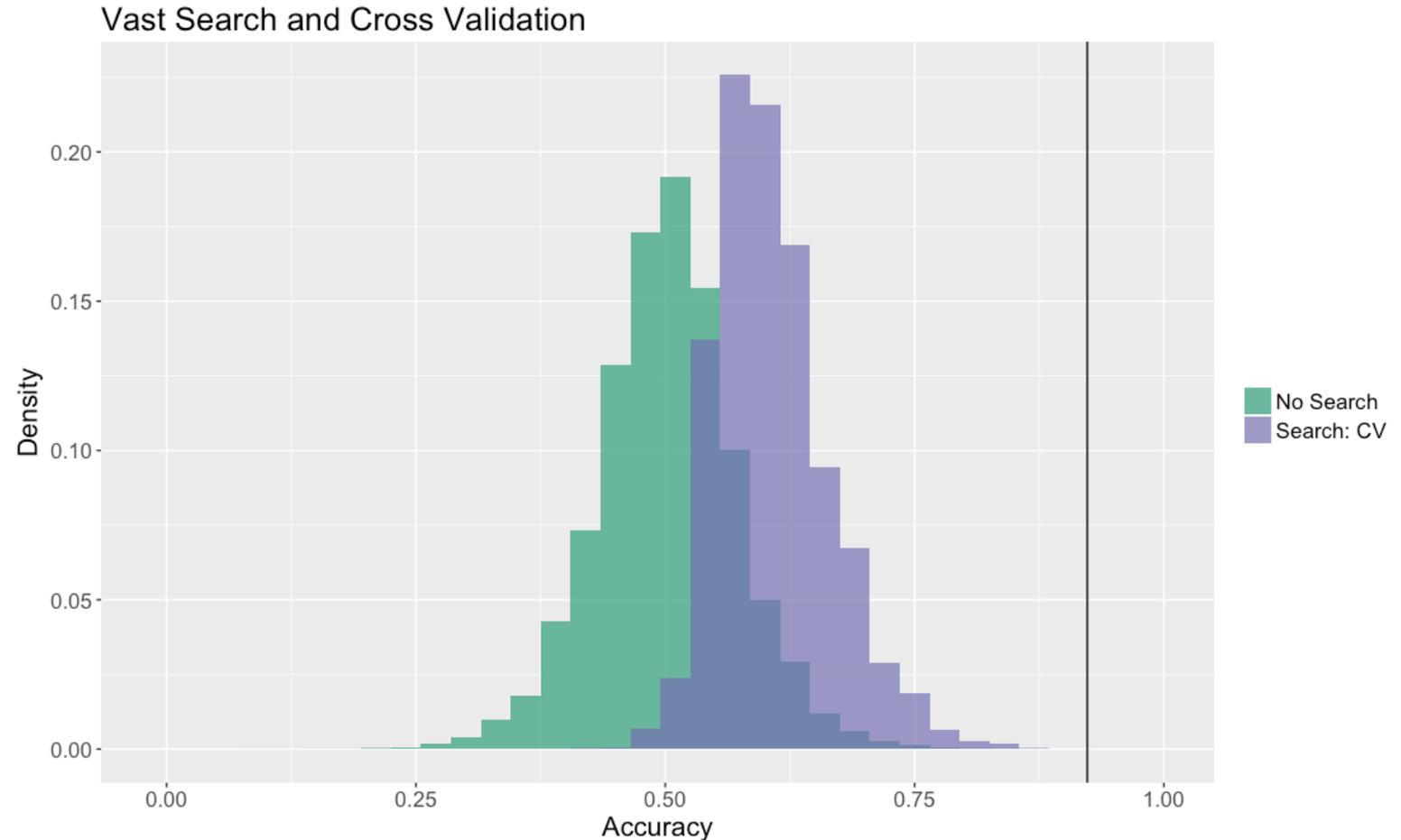
# Target Shuffling

Quiz Score	Name	Gender	Age	Sisters	Brothers	Hair Color	Eye Color	Math Class	Pets
72	Sally	Female	16	0	2	Blonde	Blue	Algebra 2	Dog
87	Kyle	Male	15	1	1	Red	Green	Algebra 1	Cat
90	Juanita	Female	15	3	0	Brown	Brown	Algebra 1	Rabbit
99	Jordan	Male	16	0	0	Blonde	Brown	Geometry 1	None
79	Hiroki	Male	16	0	1	Black	Brown	Algebra 2	Fish
95	Diego	Male	15	2	2	Black	Brown	Geometry 1	Dog & Cat

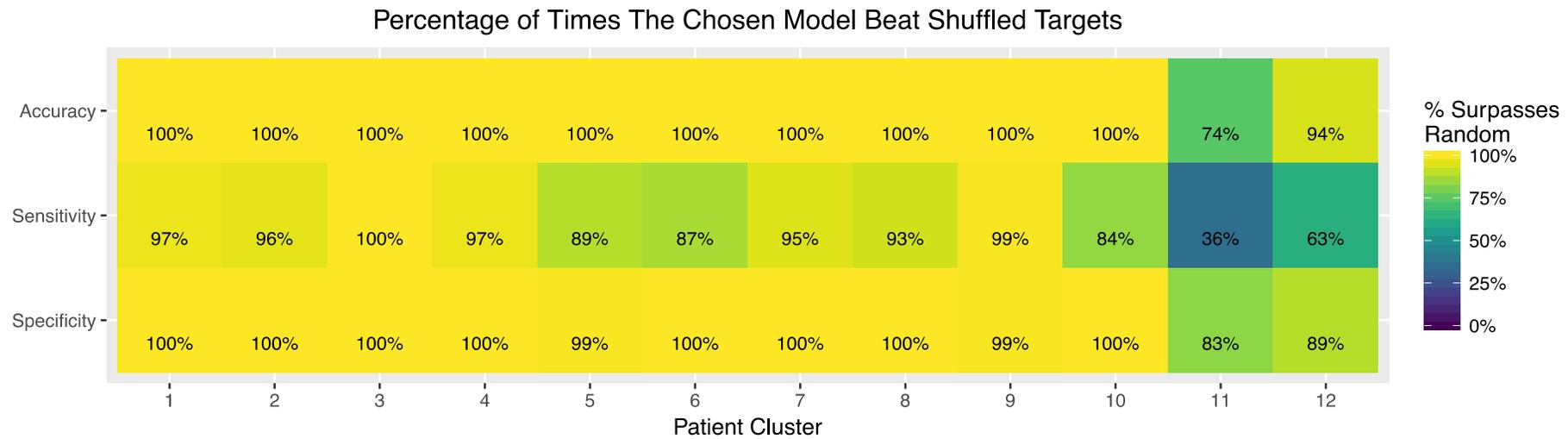
- ① Build a model to predict the target variable, and note its strength
- ② Randomly shuffle the target vector to “break the relationship”
- ③ Build two models, one with the “broken” shuffled data and the other with normal (not shuffled data) and tabulate their strengths.
- ④ Repeat steps 2 and 3 many times to create a distribution of the strengths of the “Best Apparent Discoveries” (BADs).
- ⑤ Evaluate where your true results (from step 1) are on this BAD distribution.

# Target Shuffling

- Trained over 4 million models on a cloud-instance
- 36 cores
- 60 GB RAM
- Cost \$44.75
- Active for 26 hours (run time ~14 hours)



# Parkinson's Test Recommendation Engine



# Parkinson's Test Recommendation Engine

## Challenge

Research programs, treatment clinics, and physician's offices vary in the types of data and medical test results they collect on Parkinson's patients. Capitalizing on the extreme variability in patient data, Elder Research was eager to determine which tests offer the greatest value in disease prediction and if the importance of a key test be affected when data from further medical tests becomes available

## Solution

A proprietary clustering method was used to identify twelve clusters of patients based on the test results available for each patient.

Find the best model-type per cluster and validate using target shuffling

## Results

- Our models beat randomly shuffled data 100% of the time in 10 of 12 clusters
- Solution will help clinicians diagnose disease based on available tests, and recommend the fewest additional (or next best) tests to improve disease prediction

A complex network diagram with numerous nodes and connecting lines, overlaid on a red-to-orange gradient background. The nodes are represented by small squares and circles, and the lines are thin, light-colored lines. Some nodes contain text, including the word 'UBS' in the upper right quadrant. The overall appearance is that of a data network or a complex organizational structure.

# Detecting Kickback Schemes

# Detecting Kickback Schemes

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## Challenge

GAO estimates that approximately 20% of medical fraud is from kickback schemes. Investigators need ways to identify these risky players without reliance on hotline tips. They also need a way to prioritize cases in order to maximize efficiency.

# The 10 Levels of Analytics

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# What is a Kickback?

- Something of value being offered in return for a favorable action
- In health care:
  - Referrals
  - Prescribing the use of specific drugs/equipment
- As a result:
  - A large percentage of a doctor's patients will see the same doctor and/or receive the same drug or equipment

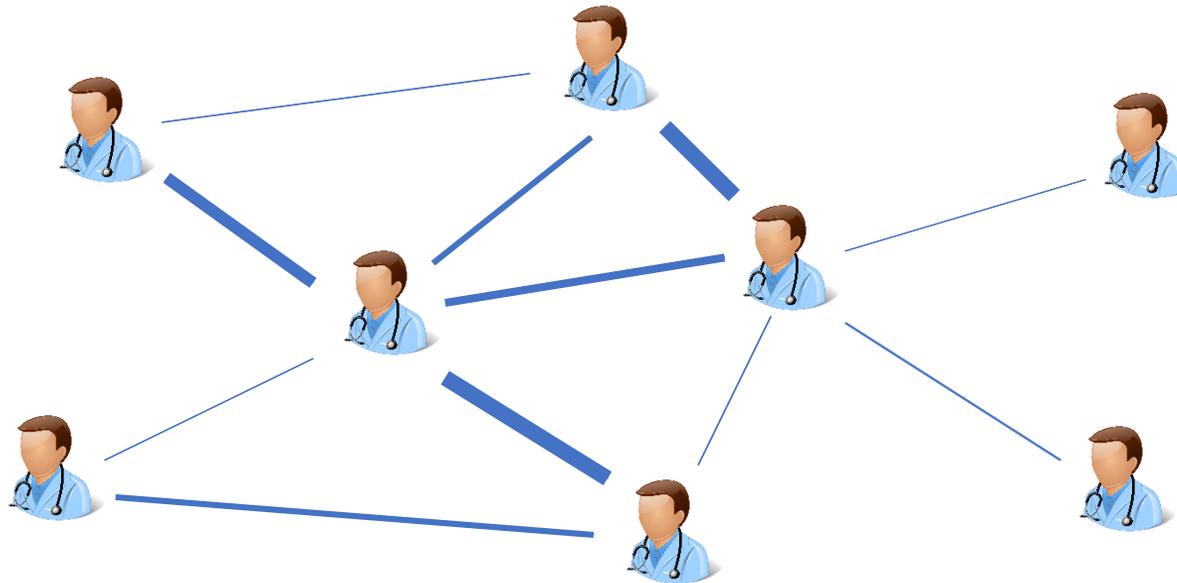


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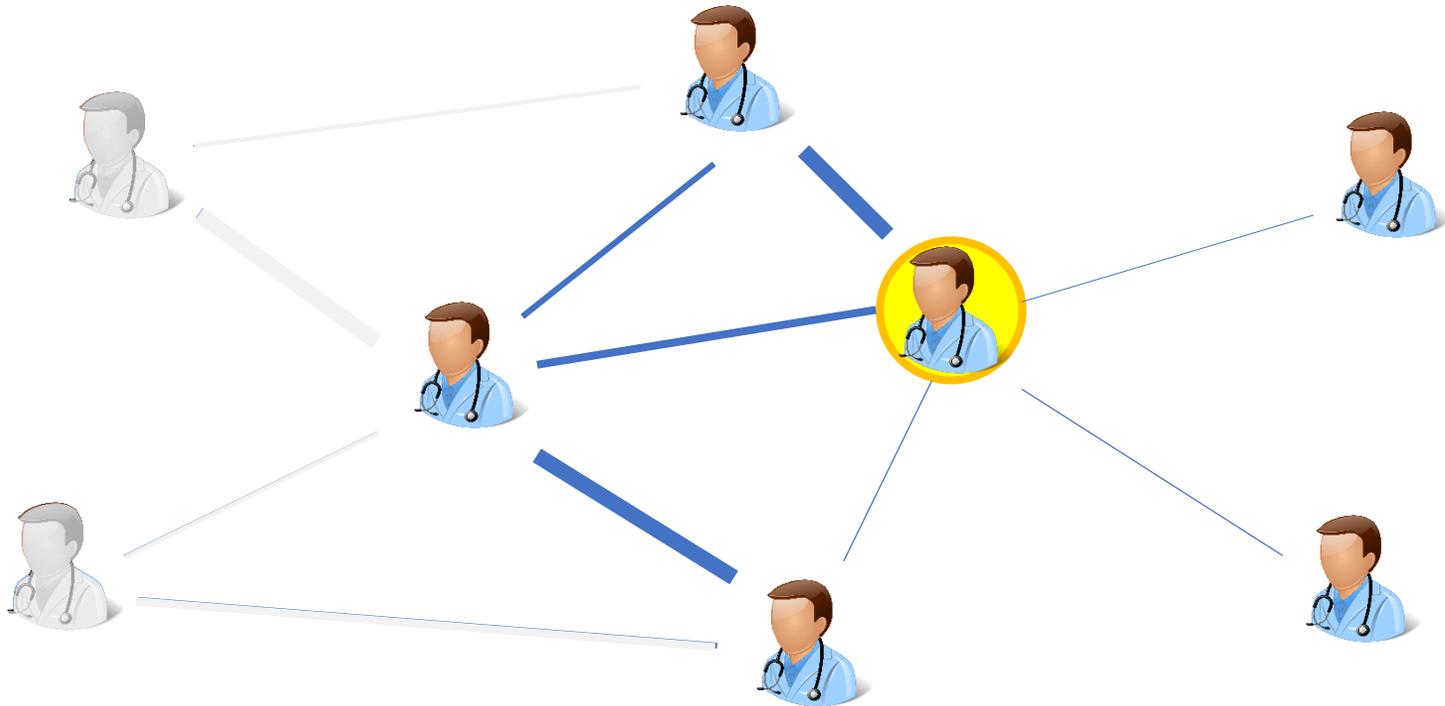
# What are Networks?

- Represent relationships between entities
  - Start with nodes (doctors)
  - Connect nodes based on associations (shared patients)



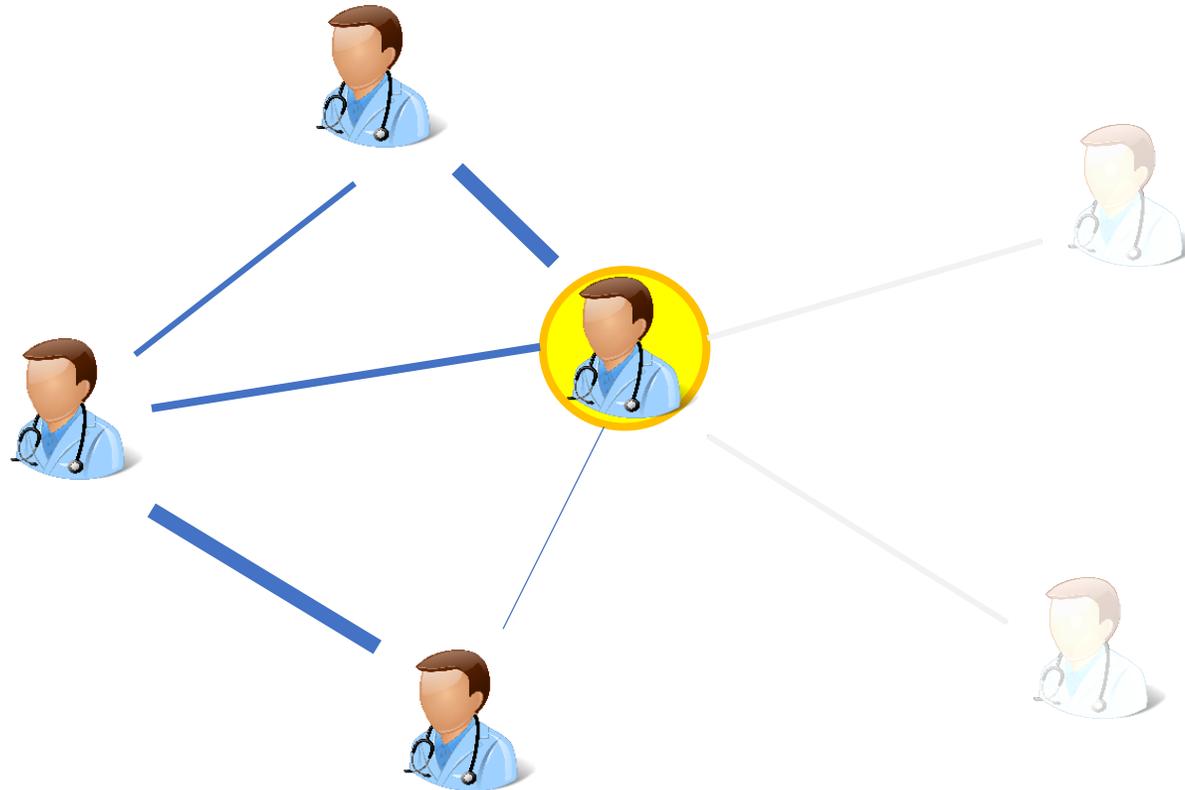
# The Problem

- Only care about **direct** connections between doctors



# The Problem

- Only want the strong connections, not the weak ones



# The Solution

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- Formula that measure's the strength of a doctor's immediate connections
- Benefits
  - The addition of weak edges brings down the value
  - Each resulting network has a value for ranking
- Networks with the highest values are good candidates for investigation

# Detecting Kickback Schemes



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## Challenge

GAO estimates that approximately 20% of medical fraud is from kickback schemes. Investigators need ways to identify these risky players without reliance on hotline tips. They also need a way to prioritize cases in order to maximize efficiency.

## Solution

- Method was created that emphasizes which other physicians a doctor has the strongest connections with
- Generates a metric summarizing the strength of these connections

## Results

- Outcomes can be ranked, highlighting where to allocate resources
- Quickly synthesizes information that would have previously taken investigators weeks to process

The background is a blurred, top-down view of a desk. On the left, there are several sheets of paper, one of which has a 'Map chart' and a circular diagram with '55%' written inside. In the center, a white Samsung smartphone is visible, displaying the time '12:45' and the date 'Thu, 12 June'. On the right, a hand is pointing at a document. The overall scene is dimly lit, with a blue tint.

# RADR & Risk Assessment Tools

# RADR & Risk Assessment Tools



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## Challenge

Need a way to present different risk metrics and data sources, while providing insight into why a given score was assigned.

## Solution

- Build a risk assessment tool to augment risk scores

# Augment Risk Scores

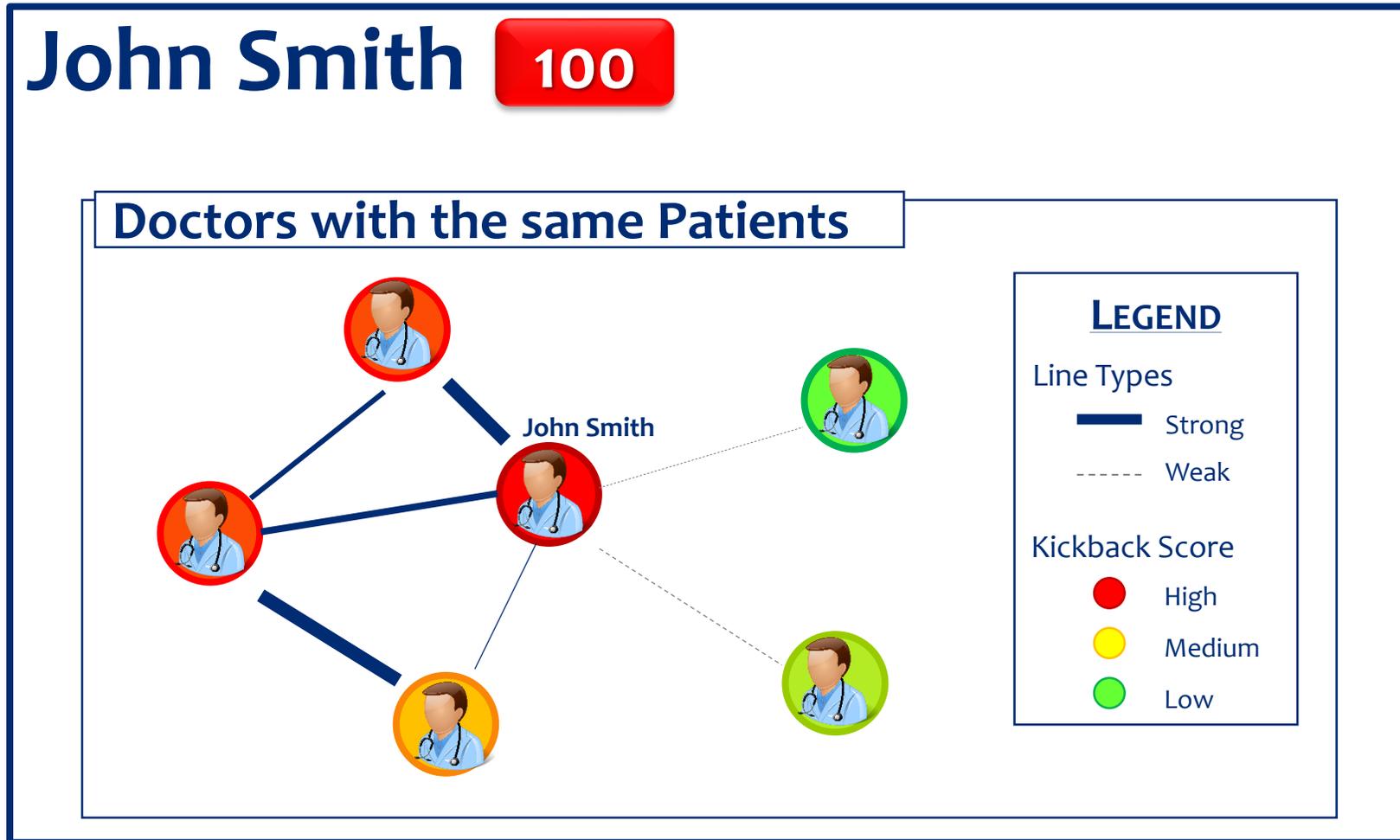
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- **Goal:** make scores interpretable and insights actionable
- Why does a doctor have a high score?
  - Highlight contributing factors
  - Compare to the “norm”
  - Point back to data
  - Create visuals

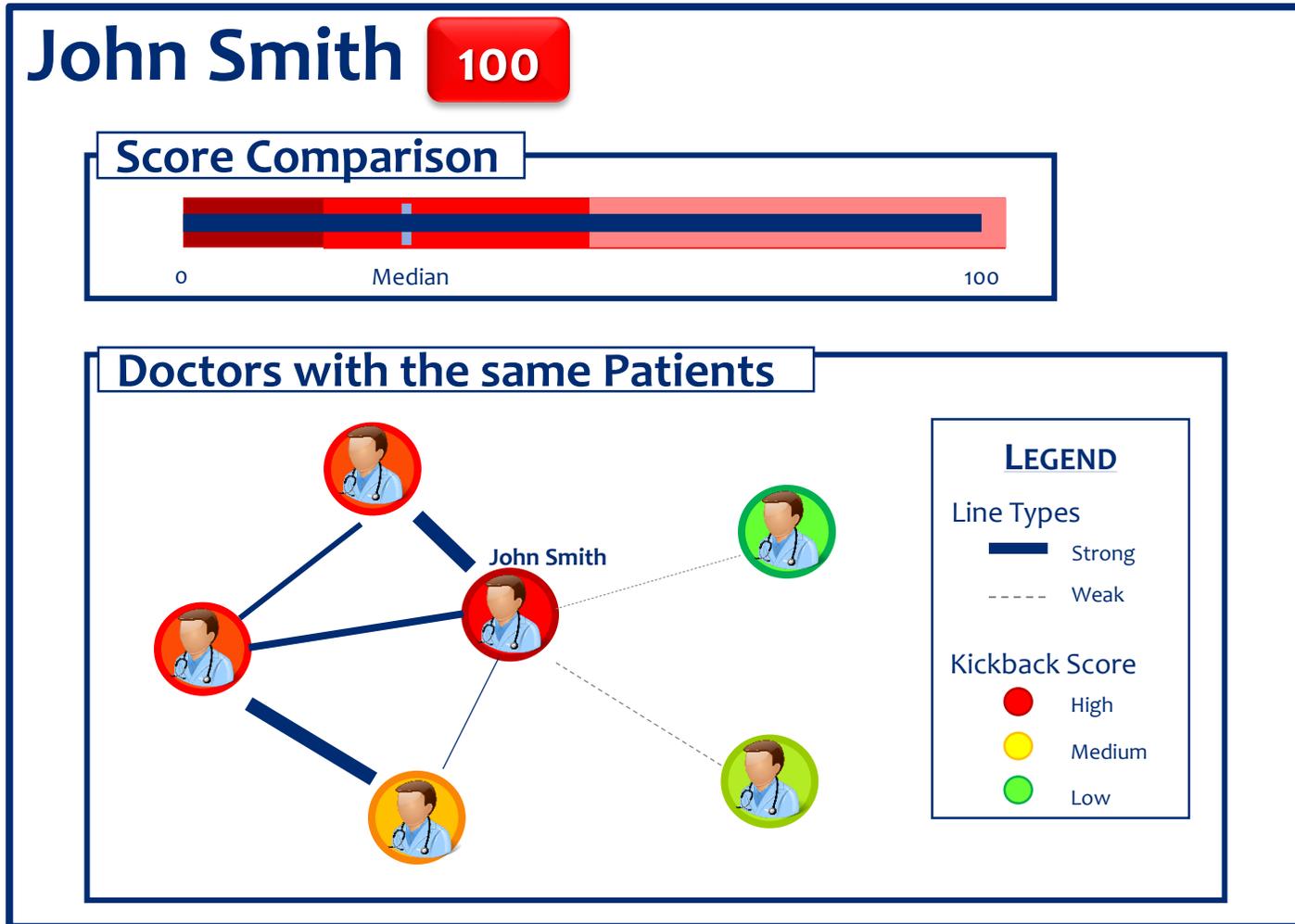
# Augment Risk Scores

Doctor Name	Score
John Smith	100
Rachel Brown	99
Robert Jones	72
David Williams	64
James Miller	58
Sarah Johnson	53
⋮	⋮

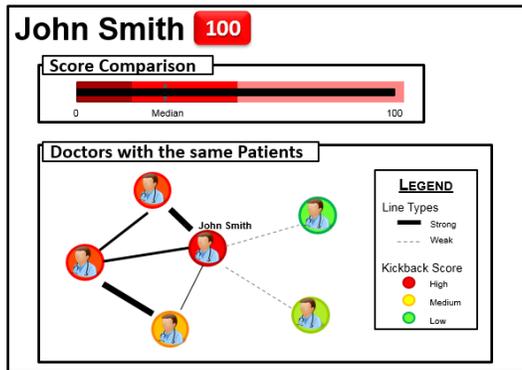
# Augment Risk Scores



# Augment Risk Scores



# Augment Risk Scores



## Patient Comparison

### John Smith

Kickback Score: **100**

Patient Count: 576

### Rachel Brown

Kickback Score: **99**

Patient Count: 432

### Patients in Common: 378

Patient Name	Diagnosis	Age
Patient 1	Broken Hip	72
Patient 2	Toothache	37
Patient 3	Ankle Sprain	16
Patient 4	Back Sprain	48
Patient 5	Insomnia	14

# RADR Demo



# RADR & Risk Assessment Tools



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## Challenge

Need a way to present different risk metrics and data sources, while providing insight into why a given score was assigned.

## Solution

- Build a risk assessment tool to augment risk scores

## Results

- RADR has become a standard tool among investigators where deployed
- Generates leads without reliance on hotline tips
- Initial investigations that would have taken weeks now are hours/days

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# Analytics Center of Excellence

## Challenge

A Fortune 500 CPG corporation had no centralized analytics capability or long-term strategy. The executive team hired Elder Research to assess its current analytics needs, develop an strategic roadmap, and build an analytics center of excellence.

## Solution

Elder Research facilitated an on-site, strategic assessment of current processes, culture, technology, and capabilities that impact analytics and data science.

We also created a long-term, multi-year roadmap focused around speed of delivery and agility in the marketplace.

## Results

Our team developed a self-sufficient Analytics Center of Excellence.

We completed 30+ quick wins, POCs, and projects in the first year alone, each with potential ROI of dollars saved, additional sales captured, or time saved.

# Q & A

Please submit questions using the questions tab.



ELDER RESEARCH

DATA SCIENCE ♦ MACHINE LEARNING ♦ AI

**Headquarters**

300 W. Main Street, Suite 301  
Charlottesville, VA 22903  
434.973.7673 | fax 434.973.7875

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# AI/ML Opportunities for the Industrial Internet of Things

Tuesday, June 4, 2019 11-11:45 AM EDT

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For more information on Elder Research contact:

**Jennifer Schaff, PhD**

Managing Director, Health Analytics Lead

[jennifer.schaff@elderresearch.com](mailto:jennifer.schaff@elderresearch.com)



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**Headquarters**

300 W. Main Street, Suite 301  
Charlottesville, VA 22903  
434.973.7673 | fax 434.973.7875

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