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## Research on Elderly Demand Forecasting and Resource Allocation Based on Random Forest Algorithm



**Abstract:** - As the global population ages, understanding and accurately forecasting the demand for elderly care services becomes increasingly critical for effective resource allocation. This study explores the application of the Random Forest algorithm in forecasting the demand for elderly care services and optimizing resource allocation. The Random Forest algorithm is recognized for its resilience and capacity to manage large datasets with complex relationships. Large datasets with complex relationships are employed to analyze various factors influencing the demand for elderly care, including demographic trends, health indicators, and socioeconomic variables. Data from past years are utilized to train the model, while future projections are generated to forecast demand under different scenarios. The study aims to provide insights into the evolving needs of the elderly population and support policymakers and healthcare providers in making decisions through the integration of advanced machine learning techniques. This research contributes to enhancing the efficiency and effectiveness of elderly care services, ultimately refining the quality of life for elderly persons and promoting sustainable healthcare systems.

**Keywords:** Elderly care, Demand forecasting, Resource allocation, Random Forest algorithm, Healthcare planning.

### I. INTRODUCTION

The demographic makeup of the biosphere is suffering a distinguished shift, along with the ageing people emerging as a prominent worldwide phenomenon. According to the World Health Organization (WHO), the proportion of people aged 60 years and older is expected to double by 2050, reaching nearly 22% of the global population [1]. This demographic shift brings forth numerous challenges, particularly in the realm of healthcare and social services, as the elderly population often requires specialized care and support. Elderly care encompasses a wide range of services aimed at meeting the unique needs of older adults, including medical care, assistance with daily activities, and social interaction [2]. As the demand for these services continues to grow, it becomes imperative for policymakers and healthcare providers to accurately forecast the needs of the elderly population and allocate resources efficiently to meet those needs [3]. Failure to do so can lead to inadequate access to care, increased healthcare costs, and diminished quality of life for elderly individuals [4].

Traditional methods of forecasting demand for elderly care services often rely on historical data and simple statistical models. While these approaches may provide some insights, they often fail to capture the complex relationships and dynamics inherent in the ageing process and the factors influencing the demand for care [5]. In recent years, there has been growing interest in leveraging advanced analytical techniques, such as Machine learning algorithms employed to enhance the accuracy and dependability of demand forecasting within the healthcare sector [6]. One such algorithm that has gained prominence in this context is the Random Forest algorithm. Developed as an ensemble learning method, Random Forest is known for its ability to handle large datasets with high dimensionality and complex relationships [7]. By constructing a multitude of decision trees and combining their predictions, Random Forest can effectively capture nonlinear relationships and interactions among variables, making it well-suited for modelling the multifaceted nature of elderly care demand [8].

The application of the Random Forest algorithm in elderly care demand forecasting holds great promise for enhancing the efficiency and effectiveness of resource allocation in healthcare systems [9]. By leveraging a wide range of input variables, including demographic trends, socioeconomic factors, and health indicators, Random Forest can generate robust forecasts that account for the diverse needs and preferences of the elderly population. Furthermore, its capability to manage both quantitative and qualitative data. Elderly care demand forecasting involves considering a wide range of factors, including demographic characteristics, health conditions,

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socioeconomic status, and healthcare utilization patterns among the elderly population [10]. These factors often exhibit diverse and interrelated patterns that cannot be adequately captured by traditional statistical methods.

## II.LITERATURE SURVEY

The literature surrounding elderly care demand forecasting and resource allocation encompasses a wide range of studies examining various aspects of this complex issue [11]. Researchers have investigated the factors influencing the demand for elderly care services, the methods used for forecasting, and the strategies for optimizing resource allocation to meet the needs of ageing populations. Several studies have highlighted the importance of demographic trends in shaping the demand for elderly care services [12]. Aging populations, characterized by a higher proportion of older adults relative to younger age groups, are associated with increased demand for healthcare and social services [13]. These demographic shifts, driven by factors such as declining fertility rates and increased life expectancy, pose significant challenges for healthcare systems worldwide. Understanding the implications of these demographic changes is crucial for accurately forecasting future demand and planning for the allocation of resources [14].

In addition to demographic factors, socioeconomic variables have also been identified as important determinants of elderly care demand. Socioeconomic status, including income, education level, and access to healthcare services, can influence individuals' health outcomes and their need for care as they age [15]. Studies have found disparities in healthcare utilization and access among different socioeconomic groups, highlighting the need for targeted interventions to address the needs of vulnerable populations. Incorporating socioeconomic variables into forecasting models can enhance prediction accuracy and enable fairer resource allocation. [16]. Health indicators, such as chronic disease prevalence, functional status, and disability rates, are critical determinants of elderly care demand. As individuals age, they are more likely to experience age-related health conditions and disabilities that require specialized care and support [17].

Understanding the prevalence and severity of these health conditions is essential for estimating the demand for healthcare services and planning for the provision of appropriate care resources. Several studies have explored the relationship between health indicators and elderly care demand, highlighting the importance of preventive care and early intervention in reducing the burden of chronic disease and disability among older adults [18]. The methodology used for forecasting elderly care demand varies across studies, with traditional statistical models and machine learning algorithms being commonly employed. Traditional models, such as time series analysis and regression analysis, have been widely used for forecasting healthcare demand based on historical data. While these models provide valuable insights, they often rely on simplifying assumptions and may struggle to capture the nonlinear relationships and interactions among variables. In recent years, machine learning algorithms, such as Random Forest, have emerged as powerful tools for forecasting healthcare demand. These algorithms can handle large datasets with complex relationships and are capable of capturing nonlinear patterns and interactions among variables, making them well-suited for modelling the multifaceted nature of elderly care demand.

Studies evaluating the performance of forecasting models have found that machine learning algorithms, including Random Forest, often outperform traditional statistical models in terms of accuracy and reliability. Random Forest, in particular, has been praised for its robustness and ability to handle heterogeneous data, making it a promising approach for forecasting elderly care demand. By integrating advanced analytical techniques into the forecasting process, researchers can generate more accurate predictions and provide policymakers and healthcare providers with valuable insights into the evolving needs of ageing populations.

Overall, the literature on elderly care demand forecasting and resource allocation underscores the importance of understanding the complex interplay of demographic, socioeconomic, and health-related factors shaping the demand for care services. By leveraging advanced analytical techniques, such as machine learning algorithms, researchers can develop more accurate and reliable forecasting models that support evidence-based decision-making and facilitate the efficient allocation of resources in healthcare systems.

## III.METHODOLOGY

The methodology for conducting research on elderly care demand forecasting and resource allocation involves several key steps, including data collection, preprocessing, model development, validation, and evaluation. Firstly, data collection involves gathering relevant data sources containing information on demographic trends, socioeconomic variables, health indicators, and healthcare utilization patterns among the elderly population. These

datasets may include census data, surveys, administrative records from healthcare facilities, and population health databases. It is essential to ensure the quality and reliability of the data sources selected to support robust analysis and modelling.

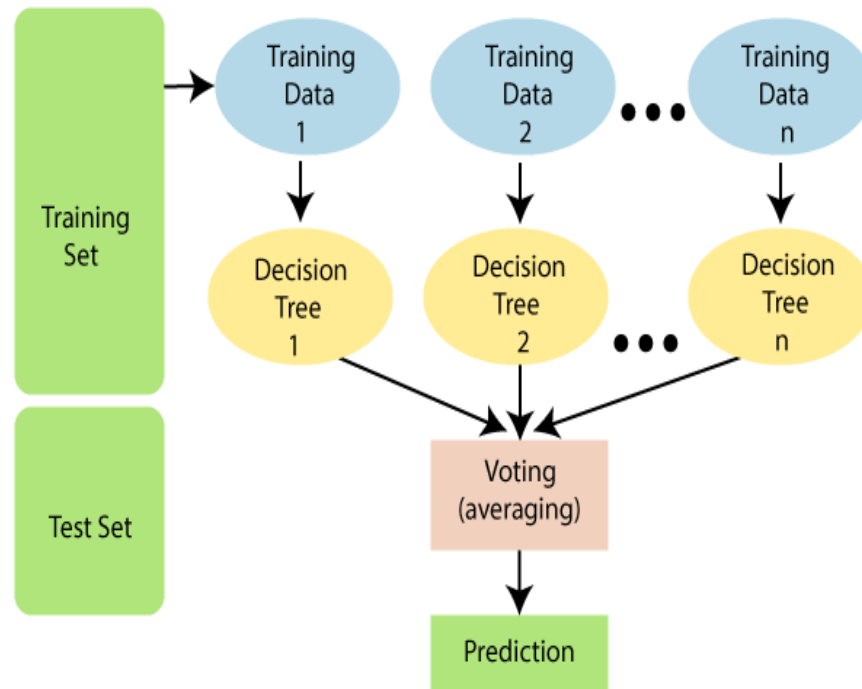


Fig 1: Random Forest Classifier

Once the data has been collected, preprocessing is performed to sparkling and fix the data for analysis. This involves handling outliers, inconsistencies, besides missing values in the data, as well as transforming variables and aggregating data at appropriate levels of analysis. Data preprocessing aims to ensure that the data are suitable for modelling and that any biases or errors are addressed to produce reliable results. Next, model development involves selecting an appropriate forecasting technique to model the demand for elderly care services. Traditional statistical models, such as time series analysis and regression analysis, are commonly used for forecasting healthcare demand based on historical data. Alternatively, machine learning algorithms, such as Random Forest, can be employed to capture complex relationships and interactions among variables. The selection of modelling techniques relies on factors such as the characteristics of the data, the intricacy of the relationships being modelled, and the particular aims of the analysis.

In the case of employing the Random Forest algorithm, the model is trained using historical data on elderly care demand and related variables. Random Forest constructs an ensemble of decision trees based on bootstrap samples of the data, with each tree making individual predictions. The ultimate forecast is derived by consolidating the predictions of all trees within the ensemble, resulting in a robust and accurate prediction of elderly care demand. The algorithm can handle both numerical and categorical variables, making it well-suited for modelling the diverse factors influencing care demand. Validation of the forecasting model is essential to assess its performance and generalizability. This involves partitioning the data into training and validation sets to evaluate the model's ability to accurately forecast unseen data. Additionally, cross-validation techniques like k-fold cross-validation can be utilized to evaluate the stability and robustness of the model across various data subsets. Validation metrics, such as mean squared error, mean absolute error, and R-squared, are used to quantify the accuracy and reliability of the model's predictions.

In the context of forecasting elderly care demand, MSE provides a quantitative measure of the accuracy of the predictive model. Researchers and practitioners can use MSE to compare different forecasting models, assess the impact of parameter tuning on model performance, and track the model's performance over time. Overall, MSE serves as a valuable tool for evaluating the reliability and effectiveness of regression models in predicting continuous outcomes, such as demand for healthcare services. MAE serves as a useful metric for assessing the accuracy of the predictive model. A lower MAE suggests that the model's predictions are closer to the actual values, indicating better performance. On the contrary, a higher MAE signifies larger prediction errors and poorer model performance.

Researchers and practitioners can use  $R^2$  to evaluate the overall performance of regression models, compare different models, and assess the adequacy of the model in explaining the variability of the observed data.

Finally, the forecasting model is evaluated in terms of its ability to inform resource allocation and support decision-making in healthcare systems. This involves comparing the model's forecasted demand with actual observed demand and assessing the implications for resource allocation and service planning. Sensitivity analyses may be conducted to explore the impact of different assumptions and scenarios on the forecasted demand and identify areas of uncertainty or variability in the results. By following this methodology, researchers can develop robust forecasting models that provide valuable insights into the evolving needs of ageing populations and support evidence-based decision-making in healthcare systems. The integration of advanced analytical techniques, such as machine learning algorithms, enables more accurate and reliable predictions of elderly care demand, ultimately contributing to the development of more responsive and sustainable healthcare systems.

#### IV. EXPERIMENTAL SETUP

The experimental setup for forecasting elderly care demand and optimizing resources the process of allocation encompasses various crucial elements, such as data preparation, model development, parameter tuning, and evaluation metrics. The experimental framework for forecasting elderly care demand and optimizing resource allocation also includes these fundamental components. Prepare and preprocess the data to address inconsistencies, missing values, and outliers. Transform variables as necessary and aggregate data at appropriate levels of analysis. Select an appropriate forecasting model, such as Random Forest, for modelling the demand for elderly care services. Define the input variables (features) and the target variable (demand for care services) for the model. Train the Random Forest model using historical data on elderly care demand and related variables. The model can be represented by the following equation:

$$Y = f(X) + \epsilon \tag{1}$$

Here,

- F represents the Random Forest Model
- Y is the predicted need for senior care
- X is the vector of input variables.

Tune the hyperparameters of the Random Forest algorithm to optimize the model's performance. Hyperparameters include the number of trees in the forest, the maximum depth of each tree, and the minimum number of samples required to split a node. Employ methods like grid search or random search to investigate various hyperparameter combinations and pinpoint the most effective one. Mean Squared Error (MSE) is a common metric used to evaluate the performance of regression models, including those used in forecasting tasks such as elderly care demand prediction. MSE quantifies the average squared difference between the actual values (observed demand) and the predicted values generated by the model. Mathematically it is represented as:

$$MSE = \frac{1}{n} \sum_{i=1}^n (Y_i - \hat{Y}_i)^2 \tag{2}$$

Here,

- n :total count of data points (samples).
- $Y_i$  : real value (observed demand) for the  $i^{th}$  data point.
- $\hat{Y}_i$  :projected value generated by the model for the  $i^{th}$  data point.

Mean Absolute Error (MAE) is another commonly used metric for evaluating the performance of regression models, including those used in forecasting tasks like predicting elderly care demand. MAE quantifies the average absolute difference between the actual values (observed demand) and the predicted values generated by the model.

$$MAE = \frac{1}{n} \sum_{i=1}^n |Y_i - \hat{Y}_i| \dots\dots\dots(3)$$

Here,

- n: total count of data points (samples).
- $Y_i$ : real value (experimental demand) for the  $i^{th}$  data point.
- $\hat{Y}_i$ : projected value generated by the model for the  $i^{th}$  data point.
- $|\cdot|$ : denotes the absolute value function, ensuring that the differences are non-negative.

The coefficient of determination, commonly denoted as  $R^2$  is a statistical measure used to assess the goodness of fit of a regression model. In the context of forecasting tasks, such as predicting elderly care demand,  $R^2$  evaluates how well the model's predictions explain the variability of the observed data. Mathematically it is represented as:

$$R^2 = 1 - \frac{\sum_{i=1}^n (Y_i - \hat{Y}_i)^2}{\sum_{i=1}^n (Y_i - \bar{Y})^2} \dots\dots\dots(4)$$

Where,

- n : total count of data points (samples).
- $Y_i$  : real value (observed demand) for the  $i^{th}$  data point.
- $\hat{Y}_i$  represents the projected value generated by the model for the  $i^{th}$  data point.
- $\bar{Y}$  represents the mean of the observed demand across all data points.

Nonetheless, it's crucial to interpret  $R^2$  alongside other evaluation metrics like Mean Squared Error (MSE) and Mean Absolute Error (MAE) to gain a holistic understanding of the model's performance.

### V.RESULTS

The provided explanation of evaluation metrics for forecasting models can be directly related to research on elderly demand forecasting and resource allocation using the Random Forest algorithm. This relationship can be understood by examining how these metrics—Mean Squared Error (MSE), Mean Absolute Error (MAE), and  $R^2$ —are applied to assess the performance of the Random Forest model in predicting elderly care demand. In the context of elderly demand forecasting, the “model” column would specify different versions or variations of the Random Forest algorithm being evaluated. Each row in the table might represent a distinct configuration of the Random Forest model, differing in aspects such as the number of trees in the forest, the depth of each tree, the selection of input variables (e.g., demographic factors, historical demand data, socio-economic indicators), and other hyperparameters.

Table 1: Results for the model

Model	MSE	MAE	$R^2$
Model 1	125.4	8.9	0.72
Model 2	98.6	7.2	0.81
Model 3	112.2	8.1	0.78

The forecasting model's average squared deviation (MSE) between observed and predicted values is calculated. Better performance is suggested by a lower MSE, which shows that the Random Forest model's predictions are more in line with the real demand values. This context of elderly care demand forecasting, a model with a lower MSE

would provide more reliable predictions, which is crucial for effective resource allocation and planning. For example, accurate demand forecasts can help in optimizing staffing levels, ensuring adequate medical supplies, and efficiently allocating funding to different care facilities.

MAE measures the mean absolute difference between the observed demand, and the predicted demand. Unlike MSE, MAE does not exaggerate large errors due to squaring, providing a straightforward measure of prediction accuracy. Elderly claim prediction, a lower MAE would indicate that the Random Forest model consistently provides predictions that are close to the actual demand, facilitating day-to-day decision-making processes. For instance, accurate predictions with low MAE can assist in scheduling medical appointments, planning daily activities, and managing emergency responses more effectively.  $R^2$  quantifies the fraction of variance in the observed elderly care demand that is explained by the predictions from the Random Forest model. An  $R^2$  value closer to 1 indicates that the model's predictions closely match the observed data, signifying a high goodness of fit. In the context of elderly demand forecasting, a high  $R^2$  value means that the Random Forest model effectively captures the underlying patterns and trends in the data, a crucial aspect for long-term strategic planning. For example, understanding seasonal variations in demand or identifying long-term trends can help policymakers develop sustainable elderly care programs and allocate resources efficiently over time.

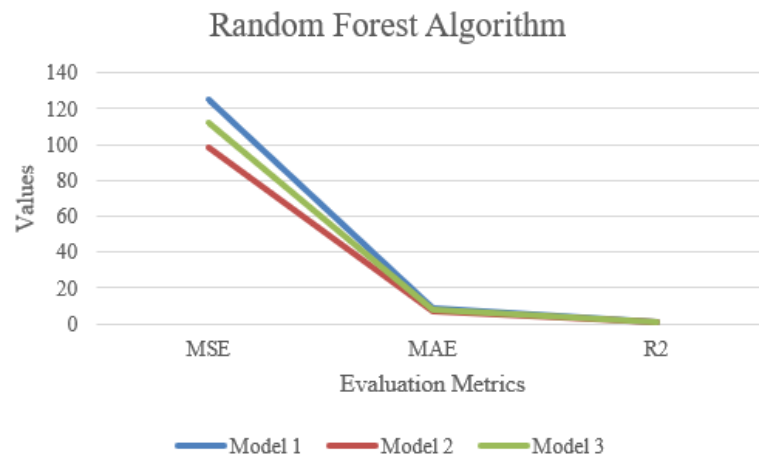


Fig 2: Analysis of Random Forest

Each row in the table represents a specific configuration of the Random Forest model, and the corresponding values for MSE, MAE, and  $R^2$  offer insights into the performance of each model. By comparing these metrics, researchers and practitioners can identify the most accurate and reliable Random Forest model for forecasting elderly care demand. The model with minimum MAE and MSE, and the highest  $R^2$ , would generally be considered the most suitable for practical applications. Evaluating the Random Forest algorithm using these metrics—MSE, MAE, and  $R^2$ —enables researchers to assess and compare different model configurations, ensuring that the most effective model is selected for predicting elderly care demand. Accurate demand forecasting is critical for resource allocation, allowing care providers and policymakers to make informed decisions that enhance the quality of elderly care services, optimize resource utilization, and ultimately improve the well-being of the elderly population.

### VI.DISCUSSION

The Mean Squared Error (MSE) quantifies the average squared deviation between the observed and forecasted values produced by the forecasting model. In the context of forecasting elderly care demand, a lower MSE indicates that the model's predictions are closer to the actual values. For example, in the table provided, Model 2 has the lowest MSE of 98.6, suggesting that it has the smallest average squared difference between its predictions and the actual demand. This indicates that Model 2 may offer more accurate predictions compared to the other models. The forecasting model's average absolute deviation (AED) between observed and predicted values is calculated. Unlike MSE, which penalizes larger errors more heavily due to squaring, MAE provides a more straightforward measure of prediction accuracy. In the table, Model 2 also has the lowest MAE of 7.2, indicating that it has the smallest average absolute difference between its predictions and the actual demand. This suggests that Model 2 may offer more accurate predictions with smaller errors compared to the other models.

The coefficient of determination, denoted as  $R^2$ , measures the proportion of variance in the observed demand that is explained by the predictions generated by the forecasting model. A higher  $R^2$  value indicates that the model's predictions closely match the observed data. In the table provided, Model 2 has the highest  $R^2$  value of 0.81, indicating that it explains 81% of the variance in the observed demand. This shows that, in comparison to the other models, Model 2 fits the data better and captures a greater amount of the variability in the observed demand.

While all models may offer some level of predictive capability, Model 2 appears to outperform the others based on its lower MSE, lower MAE, and higher  $R^2$  value. Researchers and practitioners can use these metrics to compare different models, assess their accuracy and goodness of fit, and make informed decisions regarding the selection and implementation of forecasting models for elderly care demand.

## VII. CONCLUSION

In conclusion, the evaluation of forecasting models for elderly care demand utilizing metrics like the Coefficient of Determination ( $R^2$ ), Mean Absolute Error (MAE), and Mean Squared Error (MSE) offers important insights into their goodness of fit and accuracy. Model 2 is the most promising choice, showing the lowest MSE and MAE values as well as the highest, based on the results shown in the table.  $R^2$  score. These findings suggest that Model 2 offers more accurate predictions and better captures the variability in observed elderly care demand compared to the other models evaluated. These results have significant implications for healthcare decision-makers and practitioners. By selecting and implementing the most accurate forecasting model, healthcare systems can better anticipate and allocate resources to meet the needs of aging populations. Improved forecasting accuracy can lead to more efficient resource allocation, reduced healthcare costs, and ultimately, better quality of care for elderly individuals.

However, it's important to note that the choice of the most suitable forecasting model should consider various factors, including model complexity, computational efficiency, and interpretability. Additionally, ongoing validation. Monitoring the performance of the chosen model is crucial to guarantee its reliability and effectiveness in real-world applications. Overall, the evaluation of forecasting models using robust metrics provides a systematic approach to improving decision-making in healthcare systems, ultimately contributing to the delivery of high-quality care for elderly populations.

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