

CASE STUDY

How HOME has built a consistent & reliable contractor marketplace that reduces risk for all with integrated contractor insurance

Company Overview

HOME is the leading software technology platform for connecting enterprises, customers, and skilled service providers in a home services transaction. The HOME software, in combination with a premier network of 18,000 contractors across five main trades (plumbing, HVAC, electrical, handyman and appliance repair), is utilized by leading partners in the insurance and home warranty sectors.

Marketplace Challenges

- HOME wanted to cultivate a workforce built on trust, safety, and accountability with the goal of maintaining a consistent and reliable marketplace that reduces risk and keeps customers, contractors, and HOME protected. However, vetting and insuring a contractor workforce is complicated
- Solo contractors simply don't spend time thinking about insurance, so HOME needed to make the process easy to understand, fast, and integrated directly within their platform

Insurance Challenges

- Contractor marketplaces, like HOME, are subject to platform exposure for the independent acts the contractors perform on their platform
- A corporate umbrella insurance policy is expensive, rarely adequately covers actions of the individual contractors, and are often rejected or cancelled by carriers
- Drop-down insurance coverage could, in some cases, provide coverage for individual contractors, however it often comes with a shared limit which can be reached or exceeded quickly. Additionally, this type of coverage could be seen as a benefit to the contractor which could trigger employee misclassification issues.

HOMEE partnered with Coterie to:

- 1 Enable insurance-verification-as-a-service for those contractors already insured in order to reduce the risk associated with inaccurate or inadequate coverage
- 2 Offer simple, inexpensive short-duration insurance that a contractor can simply add on a per job basis - integrated right into the HOMEE platform

The Results

Coterie began providing short-duration contractor insurance policies through HOMEE's platform as well as insurance-verification-as-a-service in September 2019.

- **Over 80,000 short-duration insurance policies have been issued ensuring both HOMEE's contractors and customer remain protected**

The average short-duration insurance policy cost for a 1-2 day job is \$5-\$9

- **Thousands of Certificates of Insurance documents have been reviewed, freeing HOMEE from the hassle of verifying contractor COIs, saving them both time and money, and providing further peace of mind**
- **Contractors are able to increase their business and employers can require insurance for their contractors**

What's even better is that HOMEE's "Verified" status allows contractors to showcase their always up-to-date insurance status in their marketing materials and communications to customers, boosting their likelihood of obtaining more, and better quality, work.