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By LAUREN WEBER CONNECT

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Jon Krause

Companies such as TaskRabbit Inc., which matches freelance helpers with odd jobs, boast they are transforming the world of work, giving people the freedom to do what they like when they like.

Yet that flexibility comes at a cost: such work typically lacks the safety net of benefits, wage protections or job security that are afforded to those with more permanent arrangements.

That may be changing as groups and companies that serve freelancers start to fill the benefits gap, offering access to insurance such as disability and liability coverage and work-policies that make project work a little more stable and predictable. So far, the benefits are emerging in patchwork fashion, illustrating a conundrum of the freelance life: the traditional employee-employer model is changing, but there is no clear definition of what is to come.

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Without legislation or concerted response from the private sector, "there's a vacuum, and the vacuum is being filled" by groups that cater to, and profit from, the cadre of independent workers, said Arne Kalleberg, a sociologist at the University of North Carolina who studies the changing relationship between employers and workers.

There were 17.7 million independent workers in the U.S. in 2013, up 10% from 2011. The number is expected to climb to 24 million by 2018, according to MBO Partners Inc., a company that provides back-office services such as billing and paying taxes for the self-employed. These workers range from freelance graphic designers to 'micro-entrepreneurs' earning extra cash through sharing-economy marketplaces like rider-sharing Lyft and TaskRabbit.

The nonprofit Freelancers Union in June began offering liability and life insurance, along with other benefit products, tailored for its 240,000 dues-paying members. Postmates Inc., a San Francisco-based delivery service that relies on nonstaff couriers in the handful of cities where it operates, last week began paying for couriers' occupational insurance to cover up to \$50,000 of medical expenses in case of on-the-job accidents. Elance, an online marketplace that connects freelancers with clients for a fee, offers free or discounted benefits such as business insurance and online skills training.

"As long as we provide the option for the individual who wants to be independent to have the insurance and the benefits that they need, this is going to be a good model for most individuals," Elance-oDesk CEO Fabio Rosati said in an interview earlier this year.

Freelancers seeking benefits on their own often find products simply aren't designed for their needs.

After some of her clients requested that she have liability insurance to cover potential legal issues like libel or copyright violation, Colleen Diamond, a freelance editor and writer in Meriden, Conn., began searching online for a policy. She filled out lengthy applications detailing her situation, and was dismayed by the responses she got back from insurers.

One rejected her outright. Another wanted \$1,400 annually for a liability policy that covered someone slipping on her driveway but not libel, said Ms. Diamond, age 45.

Then she received an email from the Freelancers Union, advertising its benefit platform. Within two hours, she says, she had been approved for an annual policy for \$500, covering most of the legal pickles she might face as a writer. (Ironically, the provider was the one that had rejected her earlier, she noted.)

"If we want people to feel comfortable moving from job to job in a very flexible, decentralized economy, they need to have some basic protections that allow them to do that," said Jacob Hacker, a political scientist at Yale University and author of "The Great Risk Shift," a book that chronicles a decline in workers' economic security.

Workforce experts have said the Affordable Care Act will aid freelance workers, making it easier for individuals to find health coverage through the state and federal exchanges. But freelancers who don't qualify for subsidies end up paying more than they did before thanks to minimum coverage requirements, said Sara Horowitz, founder and executive director of the Freelancers Union. And the subsidies are in jeopardy for millions of Americans following conflicting court rulings about the health care law.

While some offerings make life a bit more secure for independent workers, other moves are a reminder that freelancers now remain at the mercy of the platforms that divvy up jobs.

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This spring, ride service Uber Technologies Inc. raised the ire of drivers when it increased the commissions it takes from some fares, and last month TaskRabbit infuriated many users by abandoning the auction process that allowed Taskers to bid on jobs, replacing it with an algorithm that assigns gigs instead. A spokesperson said the changes were in response to worker feedback, and added benefits such as discounts on health care packages and cellphone service.

Worker benefits are good for the companies that have sprung up to facilitate freelance work, since they remove the obstacles that make people reluctant to leave traditional employment and live as freelancers.

"Closing the benefit gap between employees and freelancers" is a priority for Elance-oDesk, according to Mr. Rosati. The firm doesn't currently offer retirement plans to freelancers but may do so at some point, he added.

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