



## Work-at-Home Schemes

**Categories :** [Employment and Training](#)

*The following is summarized from the Federal Trade Commission website (FTC):*  
<https://consumer.ftc.gov/articles/job-scams>

Advertisements posted on telephone poles, placed in newspapers, or sent by e-mail to personal computers promise opportunities to earn extra income by working at home. However, the ads often fail to disclose what kind of business it is, what type of work is involved and how much money it may cost you to get the information and/or materials and supplies needed to begin work.

### TYPES OF WORK AT HOME SCHEMES

There are many different kinds of work-at-home schemes promising “easy money” that may end up having you waste your time, lose personal funds and expose you to liability for perpetuating fraud. Common types of work-at-home schemes are as follows:

- **Assembly or Craft Work** – May require investing hundreds of dollars for materials and instructions to produce items such as baby shoes, plastic signs and aprons. After spending hours of your time in making the products, the company that has promised to buy them backs out, claiming the products don’t meet their “quality standards”.
- **Internet Businesses** – You’re told you can earn thousands of dollars starting your own internet business. The company claims no experience is necessary because they have coaches who can teach you and you are pressured to pay for the opportunity. Once you pay you are pressured to pay for more pricey services.
- **Envelope Stuffing** – Involves paying cash for details on money-making ideas. The “idea” turns out to be instructions on how to place the same kind of envelope stuffing ad which can involve spending several hundred dollars on advertising, envelopes, postage, and printing costs. The only way to make money is if people respond to your ad.
- **Multi-Level Marketing** – Pyramid-type schemes which resemble multi-level marketing where people have sold products of reputable companies directly to their neighbors and co-workers. The focus of illegitimate schemes is to recruit people into their programs and have them invest in product samples. Very few products are sold and the people at the bottom who cannot make money by sales or recruitment in a glutted market end up losing their investments.
- **Rebate Processing**: Ad says you can earn money processing rebates. You pay a fee for training, certification or registration. What you get are poorly written and useless training materials. There are no rebates to process, and few people ever get a refund.
- **Processing Medical Insurance Claims** – Ads will claim that you can earn hundreds of dollars per week by processing medical insurance claims for health care professionals. Promoters will urge you to buy software programs and attend training sessions for thousands of dollars. The market for this type of service is small or nonexistent and you will be competing for clients with well-established companies.

### WHERE TO COMPLAIN ABOUT WORK-AT-HOME SCHEMES

If you think that a work-at-home program is not legitimate, contact the company and ask for a refund. If the dispute is not resolved, Connecticut residents can contact: the State of Connecticut Attorney General’s Office: [www.ct.gov/ag/](http://www.ct.gov/ag/), the Better Business Bureau: <https://www.bbb.org/us/ct/news/scams>, the State of Connecticut Department of Consumer Protection: <https://portal.ct.gov/DCP/Common-Elements/Common->



## [Elements/Fraud-and-Scams](#)

Complaints can also be registered online at the websites of:

Better Business Bureau of Connecticut (for companies located in Connecticut): <https://www.bbb.org/file-a-complaint>

The Connecticut Department of Consumer Protection: <https://portal.ct.gov/DCP/Consumer/Consumers>

The Federal Trade Commission: <https://reportfraud.ftc.gov/#/>

### **TO FIND PROVIDERS IN CONNECTICUT'S COMMUNITY RESOURCES DATABASE:**

Search by service name: [General Consumer Complaints](#)

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**SOURCES:** Better Business Bureau website; Federal Trade Commission website

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