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# FEHB Program Carrier Letter

## All Carriers

U.S. Office of Personnel Management  
Office of Insurance Programs

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**Letter No. 2006-19**

**Date:** June 8, 2006

Fee-for-service [15]    Experience-rated HMO [17]    Community-rated HMO [18]

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**SUBJECT: Raffles Conducted by Federal Employees Health Benefits Program Health Plans**

We have recently received several requests by health plans in the Federal Employees Health Benefits (FEHB) Program to conduct raffles for Federal employees at conferences and events sponsored by employee associations. We have had our Office of General Counsel review this issue and are, therefore, providing the following guidance to health plans.

There are many ethics regulations, laws and legal precedents that apply to raffle situations. In general, Federal employees may not accept gifts from Federal contractors with few exceptions. An exception to the gift rule in 5 CFR § 2635.203(b)(5) provides that gifts do not include "rewards and prizes given to competitors in contests or events, including random drawings, open to the public unless the employee's entry into the contest or event is required as part of his official duties." The Office of Government Ethics (OGE) over the years has helped clarify what is meant under this provision. In order for a contest prize to qualify under this exception, the contest must be open to the general public. Where a contest is open to the public, according to OGE, the danger is remote that a prohibited source will use the contest as a means of giving something to an employee or that a reasonable person would question the motive for any prize awarded.

We have determined raffles conducted at carrier conferences or employee association meetings do not fall within the exception because the raffles are not open to the general public and may also carry a perception of impropriety. Therefore, health plans may not hold raffles at these types of events.

Sincerely,

Robert F. Danbeck  
Associate Director  
for Human Resources Products and Services