

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL	
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Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Fini Annmarie</u> (Last) (First) (Middle) <u>100 BENEFITFOCUS WAY</u> (Street) <u>CHARLESTON SC 29492</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>01/01/2020</u>	3. Issuer Name and Ticker or Trading Symbol <u>Benefitfocus, Inc. [BNFT]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Exec. VP Customer Success Org.</u>	5. If Amendment, Date of Original Filed (Month/Day/Year) 6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Common Stock</u>	<u>51,633</u>	<u>D</u>	

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
<u>Stock Option (Right to Buy)</u>	<u>(1)</u>	<u>07/01/2020</u>	<u>Common Stock</u>	<u>5,000</u>	<u>5.38</u>	<u>D</u>
<u>Stock Option (Right to Buy)</u>	<u>(2)</u>	<u>10/01/2022</u>	<u>Common Stock</u>	<u>7,000</u>	<u>10.3</u>	<u>D</u>
<u>Stock Option (Right to Buy)</u>	<u>(3)</u>	<u>05/08/2023</u>	<u>Common Stock</u>	<u>2,000</u>	<u>13.53</u>	<u>D</u>
<u>Performance Restricted Stock Units</u>	<u>(4)</u>	<u>04/01/2020</u>	<u>Common Stock</u>	<u>1,063</u>	<u>(4)</u>	<u>D</u>
<u>Performance Restricted Stock Units</u>	<u>(5)</u>	<u>04/01/2023</u>	<u>Common Stock</u>	<u>9,572</u>	<u>(5)</u>	<u>D</u>

Explanation of Responses:

- This option was granted on July 1, 2010 and vested over a four-year period with one-fourth (1/4) of the option granted vesting on July 1, 2011, the first anniversary of the vesting commencement date, and the balance of the option granted vesting ratably on a monthly basis over the following 36 months.
- This option was granted on October 1, 2012 and vested over a four-year period with one-fourth (1/4) of the option granted vesting on October 1, 2013, the first anniversary of the vesting commencement date, and the balance of the option granted vesting ratably on a monthly basis over the following 36 months.
- This option was granted on May 8, 2013 and vested over a four-year period with one-fourth (1/4) of the option granted vesting on May 8, 2014, the first anniversary of the vesting commencement date, and the balance of the option granted vesting ratably on a monthly basis over the following 36 months.
- Each performance restricted stock unit ("PRSU") represents a contingent right to receive one share of Issuer common stock. The maximum number of PRSUs is presented in the table. A percentage of the PRSUs will vest upon the achievement of an annual revenue goal and an adjusted EBITDA goal, during the period of January 1, 2019 through December 31, 2019. Vesting of the target level PRSUs will accelerate upon death or disability during the performance period in an amount equal to the proportion of days in the performance period worked. Vesting of the target PRSUs may also accelerate in certain circumstances if there is a change in control of the Issuer during the performance period.
- Each PRSU represents a contingent right to receive one share of Issuer common stock. The maximum number of PRSUs is presented in the table. The PRSUs will vest upon the achievement of net annual recurring revenue bookings growth goals during the period of January 1, 2019 through December 31, 2019, such vesting to occur in four equal annual installments beginning on April 1, 2020, if the performance metrics are met. Vesting of the target level PRSUs will accelerate upon death or disability during the performance period in an amount equal to the proportion of days in the performance period worked. Vesting will also accelerate as to the next tranche of vesting units in the event of death or disability after the performance period. Vesting of the target PRSUs may also accelerate in certain circumstances if there is a change in control of the Issuer during the performance period.

Remarks:

See Exhibit 99.1.

/s/ S. Halle Vakani, Attorney-in-Fact 01/13/2020

** Signature of Reporting Person Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 5 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.

POWER OF ATTORNEY

Known all by these presents, that the undersigned hereby constitutes and appoints each of Paris Cavic, Donald R. Reynolds and S. Halle Vakani, and each of them acting alone, signing singly, the undersigned's true and lawful attorney-in-fact to: (1) execute for and on behalf of the undersigned, in the undersigned's capacity as an officer, director and/or 10% or more stockholder of Benefitfocus, Inc. (the "Company"), Forms ID, 3, 4, 5 and any Update Passphrase Acknowledgement (and any amendments thereto) in accordance with Section 16(a) of the Securities Exchange Act of 1934, as amended (the "1934 Act") and Schedules 13D and/or Schedules 13G (and any amendments thereto) in accordance with the 1934 Act, and the rules promulgated thereunder; (2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Forms ID, 3, 4, 5 and Update Passphrase Acknowledgement and Schedules 13D and/or Schedules 13G (and any amendments thereto) and to file timely such form with the United States Securities and Exchange Commission and any stock exchange or similar authority; and (3) take any other action of any type whatsoever in connection with the foregoing which in the opinion of such attorney-in-fact may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by such attorney-in-fact on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as such attorney-in-fact may approve in such attorney-in-fact's discretion.

The undersigned hereby grants to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16 of the 1934 Act.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Forms ID, 3, 4 and 5 and Schedules 13D and/or Schedules 13G with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to each of the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 31 day of December 2019.

/s/ Annmarie Fini
Print Name: Annmarie Fini

Remarks:

Ms. Fini's non-derivative securities owned beneficially comprise the following securities:

(a) 4,567 restricted stock units ("RSUs") granted April 1, 2014 vested in 4 equal annual installments beginning April 1, 2015 of which 2,969 RSUs are held (415 RSUs were withheld to satisfy tax liabilities upon vesting and 1,183 RSUs were sold to satisfy tax liabilities incurred upon vesting); (b) 6,078 RSUs granted April 1, 2015 vested in 4 equal annual installments beginning on April 1, 2016 of which 3,998 RSUs are held (2,080 RSUs were sold to satisfy tax liabilities incurred upon vesting); (c) 264 RSUs granted April 1, 2015 vested in 4 equal annual installments beginning on April 1, 2016 of which 172 RSUs are held (92 RSUs were sold to satisfy tax liabilities incurred upon vesting); (d) 1,293 performance restricted stock units ("PRSUs") were earned on February 27, 2017 upon the vesting of a percentage of PRSUs granted March 30, 2016 upon the achievement of annual revenue goals and non-GAAP net income (loss) goals during the period of January 1, 2016 through December 31, 2016 (508 of the resulting shares were sold to satisfy tax liabilities incurred upon vesting); (e) 3,000 RSUs granted April 1, 2016 vesting in 4 equal annual installments beginning April 1, 2017 of which 2,250 RSUs are vested (758 RSUs were sold to satisfy tax liabilities incurred upon vesting); (f) 8,211 RSUs granted April 1, 2016 vesting in 4 equal annual installments beginning April 1, 2017 of which 6,158 RSUs are vested (2,049 RSUs were sold to satisfy tax liabilities incurred upon vesting); (g) 4,876 RSUs granted April 1, 2017 vesting in 4 equal annual installment beginning April 1, 2018 of which 2,438 RSUs are vested (794 RSUs were sold to satisfy tax liabilities incurred upon vesting); (h) 1,350 RSUs were granted on March 15, 2018 of which 913 RSUs are held (437 RSUs were sold to satisfy tax liabilities incurred upon vesting); (i) 3,848 PRSUs were earned on April 1, 2018 upon the vesting of a percentage of PRSUs granted January 11, 2016 upon the achievement of adjusted EBITDA and compounded annual revenue growth rate goals during the period of January 1, 2015 through December 31, 2017 (1,294 of the resulting shares were sold to satisfy tax liabilities incurred upon vesting); (j) 5,696 RSUs granted April 1, 2018 vesting in 4 equal annual installments beginning April 1, 2019 of which 1,424 RSUs are vested (466 RSUs were sold to satisfy tax liabilities incurred upon vesting); (k) 487 PRSUs were earned on April 1, 2018 upon the vesting of a percentage of PRSUs granted April 1, 2017 upon the annual revenue goals and free cash flow goals, all subject to a minimum adjusted EBITDA level, during the period of January 1, 2017 through December 31, 2017 (158 of the resulting shares were sold to satisfy tax liabilities incurred upon vesting); (l) 722 RSUs were granted on November 13, 2018 of which 490 RSUs are held (232 RSUs were sold to satisfy tax liabilities incurred upon vesting); (m) 5,137 RSUs were granted on January 1, 2019 vesting in 4 equal annual instalment beginning January 1, 2020 of which 1,284 RSUs are vested (507 RSUs were sold to satisfy tax liabilities incurred upon vesting); (n) 1,739 PRSUs were earned on April 1, 2019 upon the vesting of a percentage of PRSUs granted April 1, 2018 upon the Issuer's achievement of annual revenue goal, an adjusted EBITDA goal, and a net new bookings goal, during the period of January 1, 2018 through December 31, 2018 (569 of the resulting shares were sold to satisfy tax liabilities incurred upon vesting); (o) 13,713 PRSUs were earned on April 1, 2019 upon the vesting of a percentage of PRSUs granted on April 1, 2018 upon the Issuer's achievement of annual recurring revenue bookings percentage growth goals during the period of January 1 through December 31, 2018 (1/4 of the resulting shares are vested, of which 1,161 were sold to satisfy tax liabilities incurred upon vesting, and the remaining shares will vest in 3 equal annual installments beginning April 1, 2020); (p) 1,081 RSUs were granted on April 1, 2019 of which 710 RSUs are held (371 RSUs were sold to satisfy tax liabilities incurred upon vesting); (q) 3,190 RSUs were granted on April 1, 2019 vesting in 4 equal annual installments beginning April 1, 2020; and (r) 1,934 RSUs were granted on September 1, 2019 vesting in 4 equal annual installments beginning September 1, 2020. All RSUs granted are subject to continued employment.