

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person * <u>Howell Andrew L</u> (Last) (First) (Middle) 100 BENEFITFOCUS WAY (Street) CHARLESTON SC 29492 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>Benefitfocus, Inc. [BNFT]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) Chief Operating Officer
	3. Date of Earliest Transaction (Month/Day/Year) 06/09/2014	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	06/09/2014		M		7,163	A	\$5.38	101,552	D	
Common Stock	06/09/2014		S ⁽¹⁾		7,163	D	\$40.287 ⁽²⁾	94,389	D	
Common Stock	06/10/2014		M		2,725	A	\$5.38	97,114	D	
Common Stock	06/10/2014		S ⁽¹⁾		2,725	D	\$40.131 ⁽³⁾	94,389	D	
Common Stock	06/10/2014		M		25,000	A	\$3.14	119,389	D	
Common Stock	06/10/2014		M		21,902	A	\$3.8	141,291	D	

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Stock Option (Right to Buy)	\$5.38	06/09/2014		M ⁽¹⁾			7,163	(4)	06/30/2020	Common Stock	7,163	\$0.00	67,837	D	
Stock Option (Right to Buy)	\$5.38	06/10/2014		M ⁽¹⁾			2,725	(4)	06/30/2020	Common Stock	2,725	\$0.00	65,112	D	
Stock Option (Right to Buy)	\$3.14	06/10/2014		M			25,000	(5)	02/01/2018	Common Stock	25,000	\$0.00	0	D	
Stock Option (Right to Buy)	\$3.8	06/10/2014		M			21,902	(5)	06/30/2019	Common Stock	21,902	\$0.00	3,098	D	
Stock Option (Right to Buy)	\$10.3							(6)	09/30/2022	Common Stock	22,667		22,667	D	
Stock Option (Right to Buy)	\$13.53							(7)	05/07/2023	Common Stock	51,461		51,461	D	

Explanation of Responses:

- This exercise and sale was effected pursuant to a Rule 10b5-1 trading plan adopted by the reporting person on May 19, 2014.
- This transaction was executed in multiple trades at prices ranging from \$40.00 to \$40.75. The price reported in Column 4 is a weighted average price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transactions were effected.
- This transaction was executed in multiple trades at prices ranging from \$40.00 to \$40.245. The price reported in Column 4 is a weighted average price. The reporting person hereby undertakes to provide upon request to the SEC staff, the issuer or a security holder of the issuer full information regarding the number of shares and prices at which the transactions were effected.
- This option was granted on July 1, 2010 and vests 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.

5. This option is fully vested.

6. This option was granted on October 1, 2012 and vests 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.

7. This option was granted on May 8, 2013 and vests 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.

Remarks:

/s/ Donald R. Reynolds,
Attorney-in-Fact

06/11/2014

** 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 4 (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.