

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL	
OMB Number:	3235-0104
Estimated average burden hours per response:	0.5

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>Zia Raheel</u> (Last) (First) (Middle) <u>C/O GOLDMAN, SACHS & CO.</u> <u>200 WEST STREET</u> (Street) <u>NEW YORK NY 10282</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>09/17/2013</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) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below)
		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)
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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	Title	Amount or Number of Shares			
<u>Convertible Series A Preferred Stock</u>	<u>(3)</u>	<u>(3)</u>	<u>Common Stock</u>	<u>14,055,851⁽²⁾⁽³⁾</u>	<u>(3)</u>	<u>I</u>	<u>See footnotes⁽¹⁾⁽²⁾⁽³⁾</u>

Explanation of Responses:

- The Reporting Person is a managing director of Goldman, Sachs & Co. ("Goldman Sachs"). Goldman Sachs is a wholly-owned subsidiary of The Goldman Sachs Group, Inc. ("GS Group"). The Reporting Person disclaims beneficial ownership of the securities reported herein except to the extent of his pecuniary interest therein, if any, and this report shall not be deemed an admission that the Reporting Person is the beneficial owner of, or has any pecuniary interest in, such securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.
- Goldman Sachs and GS Group may be deemed to beneficially own indirectly, in the aggregate, 14,055,851 shares of Convertible Series A Preferred Stock (the "Series A Preferred Stock") of Benefitfocus, Inc. (the "Company") through certain limited partnerships (the "Limited Partnerships"). Affiliates of Goldman Sachs and GS Group are the general partner, managing limited partner, managing general partner, managing partner, managing member or member of each of the Limited Partnerships.
- The Limited Partnerships hold shares of the Series A Preferred Stock. The Company's amended and restated certificate of incorporation provides that each share of the Series A Preferred Stock is convertible into common stock, par value \$0.001 per share, of the Company ("Common Stock") at the option of the holder thereof and will automatically convert into Common Stock upon the closing of the Company's initial public offering of its Common Stock. On the closing date of the Company's initial public offering of its Common Stock, all of the shares of Series A Preferred Stock will automatically be converted on a one-for-one basis into shares of Common Stock.

Remarks:

/s/ Kevin P. Treanor, Attorney-
in-fact 09/17/2013

** 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

The undersigned does hereby make, constitute and appoint each of Bruce A. Albert, Anthony DeRose, Yvette Kasic, Kevin P. Treanor and Amber Derryberry (and any other employee, of The Goldman Sachs Group, Inc. or one of its affiliates, performing the function in connection with which this Power of Attorney has been granted designated in writing by one of the attorneys-in-fact), as his true and lawful attorney-in-fact, acting for him in his respective name, place and stead, whether acting individually or as a representative of others, to approve, execute and deliver any documentation required to be made by him under the Securities Exchange Act of 1934 (as amended, the "Act"), with respect to securities which may be deemed to be beneficially owned by him under the Act, such documents to be in such form as such attorney-in-fact may approve on the undersigned's behalf, such approval to be conclusively evidenced by the due execution thereof, and granting unto such attorney-in-fact full power, including substitution and resubstitution, and authority to act in the premises as fully and to all intents and purposes as the undersigned might or could do in person, and hereby ratifies, approves and confirms all that such attorney-in-fact shall lawfully do or cause to be done by virtue hereof.

This Power of Attorney shall remain in full force and effect until such time as the person or persons to whom power of attorney has been hereby granted cease to perform the function in connection with which he/she was appointed attorney-in-fact, unless earlier revoked by written instrument. The undersigned has the unrestricted right unilaterally to revoke this Power of Attorney. This Power of Attorney does not revoke any existing Powers of Attorney executed by the undersigned.

This Power of Attorney shall be governed by, and construed in accordance with, the laws of the State of New York, without regard to rules of conflicts of law.

IN WITNESS WHEREOF, the undersigned has duly subscribed these presents this 10th day of September, 2013.

BY: s/ Raheel Zia

Raheel Zia