

OMB APPROVAL	
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

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

1. Name and Address of Reporting Person <u>Wegner Alpana</u> (Last) (First) (Middle) <u>100 BENEFITFOCUS WAY</u> (Street) <u>CHARLESTON SC 29492</u> (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) <u>Chief Financial Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) <u>12/20/2022</u>	
4. 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 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	12/20/2022		H ⁽¹⁾		238,720	D	\$0.00	222,225	D	
Common Stock	12/20/2022		J ⁽¹⁾⁽²⁾		238,720 ⁽²⁾	A	\$0.00	460,945	D	
Common Stock	12/20/2022		F		109,860 ⁽³⁾	D	\$10.45	351,085	D	
Common Stock	12/20/2022		H ⁽⁴⁾		49,033	D	\$0.00	302,052	D	
Common Stock	12/20/2022		J ⁽⁴⁾		67,303 ⁽⁴⁾	A	\$0.00	369,355	D	
Common Stock	12/20/2022		F		30,980 ⁽³⁾	D	\$10.45	338,375	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					
Performance Restricted Stock Units	(5)	12/20/2022		H ⁽⁵⁾		8,900	(5)	04/01/2023	Common Stock	8,900	\$0.00	3,818 ⁽⁵⁾	D	
Performance Restricted Stock Units	(6)(7)	12/20/2022		H ⁽⁶⁾⁽⁷⁾		9,370	(6)(7)	04/01/2026	Common Stock	9,370	\$0.00	86,019 ⁽⁶⁾⁽⁷⁾	D	

Explanation of Responses:

- Represents restricted stock units (the "Retention RSUs") granted to the Reporting Person in connection with the execution of the Agreement and Plan of Merger (the "Merger Agreement"), dated November 1, 2022, by and among Benefitfocus, Inc. (the "Issuer"), Voya Financial, Inc. and Origami Squirrel Acquisition Corp. ("Merger Sub"), as amended. Pursuant to the Merger Agreement, Merger Sub will be merged with and into the Issuer (the "Merger"), with the Issuer continuing as the surviving corporation in the Merger. The Retention RSUs have been cancelled and restricted stock granted in their place to mitigate impacts of Section 280G of the Internal Revenue Code of 1986, as amended (the "Code").
- Represents restricted stock granted to the Reporting Person in replacement of the Retention RSUs described above. The restricted stock will vest (i) 50% upon the closing of the Merger and (ii) 50% upon the six-month anniversary of the closing of the Merger (the "Final Vesting Date"), subject to the Reporting Person's continuous service. Vesting of the restricted stock may accelerate in certain circumstances, including if the Reporting Person is terminated without Cause or for Good Reason (in each case as defined in Reporting Person's employment agreement) on or after the closing of the Merger and prior to the Final Vesting Date.
- Shares relinquished to pay withholding taxes payable in connection with an election made by the Reporting Person pursuant to Section 83(b) of the Code with respect to the grants of restricted stock.
- See Exhibit 99.1.
- These performance restricted stock units (the "PRSUs") were granted on April 1, 2022. The maximum number of PRSUs is presented in the table. Each PRSU represents a contingent right to receive one share of Issuer common stock. 8,900 of the PRSUs have been cancelled and restricted stock granted in their place to mitigate impacts of Section 280G of the Code. A percentage of the remaining 3,818 PRSUs will vest upon the achievement of a revenue goal, an adjusted EBITDA goal, and a software revenue retention goal, during the period of January 1, 2022 through December 31, 2022 (the "Performance Period"). 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 a change in control of the Issuer is consummated during the Performance Period.
- These PRSUs were granted on April 1, 2022. The maximum number of PRSUs is presented in the table. Each PRSU represents a contingent right to receive one share of Issuer common stock. 9,370 of the PRSUs have been cancelled and restricted stock granted in their place to mitigate impacts of Section 280G of the Code. The remaining 86,019 PRSUs will vest upon the achievement of an annual recurring revenue subscription bookings growth goal and adjusted EBITDA goal, during the Performance Period, such vesting to occur in four equal annual installments beginning on April 1, 2023 (with the first annual installment taking into account the PRSUs that were cancelled and granted as restricted stock), if the performance metrics are met.
- Vesting of 25% of 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 a change in control of the Issuer is consummated during the Performance Period.

Remarks:

/s/ S. Halle Vakani, Attorney-in-Fact

12/22/2022

** 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.

Represents certain previously awarded and unvested restricted stock units (the "RSUs") which were replaced with the following grants of restricted stock to the Reporting Person to mitigate impacts of Section 280G of the Internal Revenue Code of 1986, as amended:

- (a) 72 RSUs of the 290 RSUs granted to the Reporting Person on February 1, 2019 were cancelled and granted as restricted stock, all of which will vest as originally scheduled on February 1, 2023;
- (b) 237 RSUs of the 950 RSUs granted to the Reporting Person on April 1, 2019 were cancelled and granted as restricted stock, all of which will vest as originally scheduled on April 1, 2023;
- (c) 1,083 RSUs of the 4,331 RSUs granted to the Reporting Person on November 1, 2019 were cancelled and granted as restricted stock, all of which will vest as originally scheduled on November 1, 2023;
- (d) 1,182 RSUs of the 4,726 RSUs granted to the Reporting Person on January 1, 2020 were cancelled and granted as restricted stock, all of which will vest as originally scheduled on January 1, 2023;
- (e) 1,181 RSUs of the 4,726 RSUs granted to the Reporting Person on January 1, 2020 were cancelled and granted as restricted stock, all of which will vest as originally scheduled on January 1, 2024;
- (f) 3,671 RSUs of the 11,014 RSUs granted to the Reporting Person on May 1, 2020 were cancelled and granted as restricted stock, all of which will vest as originally scheduled on May 1, 2023;
- (g) 7,263 RSUs of the 21,789 RSUs granted to the Reporting Person on September 1, 2020 were cancelled and granted as restricted stock, all of which will vest as originally scheduled on September 1, 2023;
- (h) 5,991 RSUs of the 23,966 RSUs earned by the Reporting Person on April 1, 2021 were cancelled and granted as restricted stock, all of which will vest on April 1, 2023, with the remaining 11,984 RSUs to vest as originally scheduled beginning on April 1, 2024;
- (i) 12,455 RSUs of the 49,817 RSUs granted to the Reporting Person on April 1, 2021 were cancelled and granted as restricted stock, all of which will vest on April 1, 2023, with the remaining 24,907 RSUs to vest as originally scheduled beginning on April 1, 2024;
- (j) 9,370 performance RSUs (the "PRSUs") of the 95,389 PRSUs granted to the Reporting Person on April 1, 2022 were cancelled and granted as restricted stock, all of which will vest on April 1, 2023, with the remaining PRSUs to vest as set forth in footnotes 6 and 7 of this Form 4;
- (k) 8,900 PRSUs of the 12,718 PRSUs granted to the Reporting Person on April 1, 2022 were cancelled and granted as restricted stock, all of which will vest on the date on which the Issuer's Restricted Stock Interests Committee certifies achievement of the applicable short-term incentive performance goals for the original grant of PRSUs, with the remaining PRSUs to vest as set forth in footnote 5 of this Form 4; and
- (l) 15,898 RSUs of the 63,593 RSUs granted to the Reporting Person on April 1, 2022 were cancelled and granted as restricted stock, all of which will vest on April 1, 2023, with the remaining 47,695 RSUs to vest as originally scheduled beginning on April 1, 2024.

The restricted stock set forth above is subject to the Reporting Person's continuous service. Vesting of such restricted stock above may accelerate in certain circumstances, including if the Reporting Person is terminated without Cause or for Good Reason (in each case as defined in Reporting Person's employment agreement).