

**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	
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1. Name and Address of Reporting Person * <u>Taylor Donald R Jr</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) <u>Chief Technology Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) 04/01/2015	
		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	04/01/2015		M		13,500	A	\$3.09	76,501	D	
Common Stock	04/01/2015		s <sup>(1)</sup>		11,900	D	\$34.99 <sup>(2)</sup>	64,601	D	
Common Stock	04/01/2015		s <sup>(1)</sup>		1,600	D	\$35.97 <sup>(3)</sup>	63,001	D	
Common Stock	04/01/2015		A		16,914 <sup>(4)</sup>	A	\$0.00	79,915	D	
Common Stock	04/01/2015		F		1,091 <sup>(5)</sup>	D	\$36.79	78,824	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)	\$3.09	04/01/2015		M <sup>(1)</sup>			13,500	(6)	03/31/2017	Common Stock	13,500	\$0.00	0	D	
Stock Option (Right to Buy)	\$3.8							(6)	06/30/2019	Common Stock	33,482		33,482	D	
Stock Option (Right to Buy)	\$5.38							(7)	06/30/2020	Common Stock	19,644		19,644	D	
Stock Option (Right to Buy)	\$10.3							(8)	10/01/2022	Common Stock	7,000		7,000	D	
Stock Option (Right to Buy)	\$13.53							(9)	05/07/2023	Common Stock	5,000		5,000	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 13, 2014 and amended on November 24, 2014.
- This transaction was executed in multiple trades at prices ranging from \$34.65 to \$35.60. 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 \$35.65 to \$36.41. 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.
- Represents restricted stock units which vest in four equal annual installments beginning on April 1, 2016, subject to continued employment.
- Represents shares forfeited to the Issuer in connection with the satisfaction of tax liabilities incurred upon the vesting of restricted stock units granted April 1, 2014.
- This option is fully vested.
- 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 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.

9. 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

04/02/2015

\*\* 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.**