

OMB APPROVAL	
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INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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>Gilmore Lou Anne</u> <hr/> (Last) (First) (Middle) <u>100 BENEFITFOCUS WAY</u> <hr/> (Street) <u>CHARLESTON SC 29492</u> <hr/> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>06/01/2019</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) <p style="text-align: center;"><u>Interim CFO</u></p>	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 <input type="checkbox"/> 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>35,052</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>Performance Restricted Stock Units</u>	<u>(1)</u>	<u>04/01/2020</u>	<u>Common Stock</u>	<u>521</u>	<u>(1)</u>	<u>D</u>
<u>Performance Restricted Stock Units</u>	<u>(2)</u>	<u>04/01/2023</u>	<u>Common Stock</u>	<u>3,131</u>	<u>(2)</u>	<u>D</u>

Explanation of Responses:

1. Each 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.

2. 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:

Ms. Gilmore's non-derivative securities owned beneficially comprise the following securities: (a) 66 restricted stock units ("RSUs") granted May 15, 2018 vesting in 3 equal annual installments beginning May 15, 2019 of which 60 RSUs are held (6 RSUs were sold to satisfy tax liabilities incurred upon vesting); (b) 2,443 performance restricted stock units ("PRSUs") earned upon the vesting of a percentage of PRSUs granted on July 1, 2018 when the Issuer achieved 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 189 were sold to satisfy tax liabilities incurred upon vesting, and the remaining shares will vest in 3 equal annual installments beginning April 1, 2020); (c) 1,030 RSUs granted July 1, 2018 vesting in 4 equal annual installments beginning July 1, 2019; (d) 519 PRSUs earned upon the vesting of a percentage of the PRSUs granted July 1, 2018 when the Issuer achieved an annual revenue goal, adjusted EBITDA goal, and net new bookings goal during the period of January 1 through December 31, 2018 (161 of the resulting shares were sold to satisfy tax liabilities incurred upon the vesting); (e) 15,000 RSUs granted November 1, 2018 vesting in 4 equal annual installments beginning November 1, 2019; (f) 444 shares of restricted stock granted April 1, 2019 earned from the vesting of RSUs granted in connection with the achievement of performance metrics in 2018, of which 307 shares are held (137 shares were sold to satisfy tax liabilities incurred upon the vesting); (g) 1,043 RSUs granted April 1, 2019 vesting in 4 equal annual installments beginning April 1, 2020. All RSUs granted are subject to continued employment.

/s/ S. Halle Vakani, Attorney-in-Fact 06/11/2019

** 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 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 Form 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 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 29th day of April 2019.

/s/ Lou Anne Gilmore
Print Name: Lou Anne Gilmore