

OMB APPROVAL	
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**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

1. Name and Address of Reporting Person* <u>Zia Raheel</u>  (Last) (First) (Middle) <u>200 WEST STREET</u>  (Street) <u>NEW YORK NY 10282</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) <input checked="" type="checkbox"/> Director 10% Owner  Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>09/19/2013</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	09/19/2013		S		200	D	\$51.7	0 <sup>(2)</sup>	I	See footnotes <sup>(1)(2)</sup>
Common Stock	09/20/2013		P		200	A	\$50.19	0 <sup>(2)</sup>	I	See footnotes <sup>(1)(2)</sup>
Common Stock	09/23/2013		C		14,055,851 <sup>(3)(5)</sup>	A	(3)	14,055,851 <sup>(3)(4)</sup>	I	See footnotes <sup>(1)(3)(4)(5)(6)(7)</sup>
Common Stock	09/23/2013		S		2,675,250 <sup>(6)</sup>	D	\$24.645	11,380,601 <sup>(5)(6)</sup>	I	See footnotes <sup>(1)(3)(4)(5)(6)(7)</sup>

**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					
Convertible Series A Preferred Stock	(3)	09/23/2013		C		14,055,851		(3)(5)	(3)(5)	Common Stock	(3)	\$0	I	See footnotes <sup>(1)(3)(4)(5)(6)(7)</sup>

**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.
- The shares of Common Stock, par value \$0.001 per share (the "Common Stock"), of Benefitfocus, Inc. (the "Company"), reported herein as indirectly purchased and sold were beneficially owned directly by Goldman Sachs and indirectly by GS Group. Without admitting any legal obligation, Goldman Sachs or another wholly-owned subsidiary of GS Group will remit appropriate profits, if any, to the Company.
- The Limited Partnerships (as defined in footnote 4) held shares of Convertible Series A Preferred Stock (the "Series A Preferred Stock") of the Company prior to the initial public offering of the Common Stock. The Company's amended and restated certificate of incorporation provides that each share of its Series A Preferred Stock is convertible into Common Stock at the option of the holder thereof and would be automatically converted into Common Stock upon the closing of the Company's initial public offering of its Common Stock (the "IPO"). On the closing date of the IPO, which was September 23, 2013, all of the shares of Series A Preferred Stock were automatically converted on a one-for-one basis into shares of Common Stock.
- Prior to the closing of the Company's IPO, Goldman Sachs and GS Group may have been deemed to beneficially own indirectly, in the aggregate, 14,055,851 shares of the Series A Preferred Stock 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.
- On September 23, 2013, 14,055,851 shares of Series A Preferred Stock beneficially owned directly by the Limited Partnerships were automatically converted into 14,055,851 shares of Common Stock.
- Pursuant to an underwriting agreement, dated September 17, 2013 (the "Underwriting Agreement"), and in connection with the registered public offering of shares of Common Stock, pursuant to the final prospectus dated September 17, 2013, which offering was consummated on September 23, 2013, the Limited Partnerships sold an aggregate of 1,935,000 shares of Common Stock. On September 20, 2013, the underwriters exercised in full their option under the Underwriting Agreement to purchase additional shares of Common Stock from the Limited Partnerships. Pursuant to such option to purchase additional shares of Common Stock, the Limited Partnerships sold an aggregate of 740,250 additional shares of Common Stock.
- Goldman Sachs and GS Group may be deemed to beneficially own indirectly, in the aggregate, the 11,380,601 shares of Common Stock through the Limited Partnerships.

**Remarks:**

/s/ Kevin P. Treanor, Attorney-in-fact 09/23/2013

\*\* 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 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.

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