FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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

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	or Section So(n) of the investment Company Act of 1940	
1. Name and Address of Reporting Person [*] <u>DANIELL JAMES</u>	2. Issuer Name and Ticker or Trading Symbol HEALTHSTREAM INC [HSTM]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) X Director 10% Owner
(Last) (First) (Middle) 132 BRIGHTON CLOSE	3. Date of Earliest Transaction (Month/Day/Year) 05/18/2005	Officer (give title Other (specify below) below)
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable
(Street) NASHVILLE TN 37205		Line) X Form filed by One Reporting Person Form filed by More than One Reporting
(City) (State) (Zip)		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)		Code (Instr.					5. Amount of Securities Beneficially Owned Following Reported	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	Transaction(s) (Instr. 3 and 4)		(1130.4)
Common Stock	05/18/2005	05/18/2005	М		3,700	Α	\$2.3	40,873	D	
Common Stock	05/18/2005	05/18/2005	S		3,700	D	\$2.9343	37,173	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. Transa Code (8)		of Deri Secu Acqu (A) c Disp of (E	osed)) tr. 3, 4	6. Date Exerc Expiration Da (Month/Day/Y	ate	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	Amount or Number of Shares				
Employee Stock Option (right to buy)	\$2.3	05/18/2005	05/18/2005	М			3,700	06/25/1998	06/25/2005	Common Stock	3,700	\$2.3	0	D	
Employee Stock Option (right to buy)	\$2.34							02/04/1999	02/04/2006	Common Stock	2,775		2,775	D	
Employee Stock Option (right to buy)	\$4.06							09/02/1999	09/02/2007	Common Stock	14,800		14,800	D	
Employee Stock Option (right to buy)	\$9							04/10/2000	04/10/2010	Common Stock	10,000		10,000	D	
Employee Stock Option (right to buy)	\$1.39							05/31/2002	05/31/2012	Common Stock	5,000		5,000	D	
Employee Stock Option (right to buy)	\$1.54							05/30/2003	05/30/2013	Common Stock	10,000		10,000	D	
Employee Stock Option (right to buy)	\$2.17							05/27/2004	05/27/2014	Common Stock	5,000		5,000	D	

Explanation of Responses:

Remarks:

** 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.