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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).

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

OMB APPROVAL										
OMB Number: 3235-028										
Estimated average burden										
hours per response.	0.5									

1. Name and Address of Reporting $\operatorname{Person}^{\star}$			2. Issuer Name and Ticker or Trading Symbol HEALTHSTREAM INC [HSTM]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable)					
PEARSON J EDWARD				x	Director Officer (give title	10% Owner Other (specify			
(Last) 209 10TH AVE SUITE 450	(First) . SOUTH	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 08/21/2013		below) Senior Vice P	below) esident			
			4. If Amendment, Date of Original Filed (Month/Day/Year)		ndividual or Joint/Group Filing (Check Applicable				
(Street) NASHVILLE	TN	37203	-	Line)	Form filed by One Rep Form filed by More that Person				
(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)	3. Transa Code (8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)		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	08/21/2013		М		7,000	A	\$3.39	16,905	D	
Common Stock	08/21/2013		S		7,000 ⁽¹⁾	D	\$32.0426(2)	9,905	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		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	Amount or Number of Shares				
Employee Stock Option (right to buy)	\$3.39	08/21/2013		М			7,000	06/14/2008	06/14/2014	Common Stock	7,000	\$0.00	6,492	D	

Explanation of Responses:

1. The sales reported in this Form 4 were affected pursuant to a Rule 10b5-1 sales plan adopted by the reporting person on March 20, 2013.

2. This transaction was executed in multiple trades at prices ranging from \$31.728 to \$32.44. The price reported above reflects the weighted average sale 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.

Remarks:

J. Edward Pearson

08/22/2013 Date

** Signature of Reporting Person

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.