

**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	
OMB Number:	3235-0287
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1. Name and Address of Reporting Person* <u>MCLAREN JEFFREY L</u>  (Last) (First) (Middle) <u>209 10TH AVENUE SOUTH, SUITE 450</u>  (Street) <u>NASHVILLE TN 37203</u>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>HEALTHSTREAM INC [ HSTM ]</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>05/09/2005</u>	
		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	05/09/2005	05/09/2005	M		100	A	\$2.3	350,655	D	
Common Stock	05/09/2005	05/09/2005	s		100	D	\$2.95	350,555	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					
Employee Stock Option (right to buy)	\$2.3	05/09/2005	05/09/2005	M		100		06/25/2000	06/25/2005	Common Stock 100	\$2.3	7,443	D	
Employee Stock Option (right to buy)	\$2.3							06/25/2001	06/25/2005	Common Stock 23,957		23,957	D	
Employee Stock Option (right to buy)	\$4.06							09/02/2000	09/02/2007	Common Stock 20,812		20,812	D	
Employee Stock Option (right to buy)	\$4.06							09/02/2001	09/02/2007	Common Stock 20,812		20,812	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							05/31/2003	05/31/2013	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:

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.**