Safe Harbor Statement

This presentation includes certain forward-looking statements (statements other than solely with respect to historical fact), including statements regarding expectations for the financial performance for 2021 that involve risks and uncertainties regarding HealthStream. These statements are based upon management’s beliefs, as well as assumptions made by and data currently available to management. This information has been, or in the future may be, included in reliance on the “safe harbor” provisions of the Private Securities Litigation Reform Act of 1995. Investors are cautioned that such results or events predicted in these statements may differ materially from actual future events or results. The forward-looking statements are subject to significant uncertainties and other risks referenced in the Company's Annual Report on Form 10-K and in the Company's other filings with the Securities and Exchange Commission. Consequently, such forward-looking information should not be regarded as a representation or warranty by the Company that such projections will be realized. Many of the factors that will determine the Company's future results are beyond the ability of the Company to control or predict. Readers should not place undue reliance on forward-looking statements, which reflect management's views only as of the date hereof. The Company undertakes no obligation to update or revise any such forward-looking statements.
“High-quality healthcare depends on a highly trained and engaged workforce.”

American Hospital Association, 2019
To improve the quality of healthcare by developing the people who deliver care

96% of employees report that HealthStream’s vision inspires their performance.
HealthStream Overview

Nasdaq: HSTM

| Market Leader | ✓ Market Leader of workforce solutions for U.S. healthcare providers.  
| | ✓ Most adopted workforce platform among U.S. healthcare providers: subscription-based producing recurring revenues; deployed enterprise-wide  
| | ✓ Largest marketplace of content and applications for healthcare providers in the industry.  |

| Growing Demand | ✓ Serves highly regulated healthcare industry, which is undergoing significant challenges to improve quality and patient safety, retain and develop their workforce, and adopt new technology-based efficiencies—all amidst tight budgeting realities.  |

| Strong Financials | ✓ Market Cap: ~$760M  
| | (as of 8 March 2021)  
| | ✓ 2020 Revenues: $244.8M; adjusted EBITDA: $46.0M  
| | ✓ Strong balance sheet: $46.5M cash  
| | (as of 4Q 2020); $65M unused credit facility; No Debt  |

(All metrics are “approximate.”)
Focused on the Healthcare Industry and its Workforce

$3.6 trillion industry
18% of GDP
Hospital Care = approx. 1/3
Fastest growing sector of U.S. economy

20M+ Employees
80% Female
5.2M = Acute care-based
5.3M = Non-Acute care-based
Target Market

Institutions that employ, collectively, approximately **10,500,000** healthcare professionals

Healthcare Organizations Use HealthStream Solutions to:

Meet Compliance Requirements

Manage Credentialing & Privileging workforce

Increase Resuscitation Outcomes

Develop Clinical Workforce

Manage Talent

Optimize Workforce Scheduling & Engagement
Required OSHA / Joint Commission Training

- Requirement of every employee, every year
- SaaS-based compliance solution
- 3+ year, enterprise-wide contracts
- Solution contains platform, content, and reporting
Critical Validation of Nursing Skills

“The volume and complexity of what we know has exceeded our individual ability to deliver its benefits correctly, safely, or reliably” - Atul Gawande
20K+ Course Library

75+ World-class Partnerships
Established, Nation-wide Customer Base
### Three Transitions: Many Challenges Now Behind Us

<table>
<thead>
<tr>
<th>Number</th>
<th>Transition Description</th>
<th>Key Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Converting to hStream Subscriptions</td>
<td><strong>Firm Technology Viability:</strong> Approx. 4.22 million hStream subscriptions as of 4Q 2020</td>
</tr>
<tr>
<td>2</td>
<td>Transitioning customers to new VerityStream platform</td>
<td><strong>Compelling Product Adoption:</strong> Over 345 customers on new platform; sales continue</td>
</tr>
<tr>
<td>3</td>
<td>Replacing Existing with New Resuscitation Solutions</td>
<td><strong>Strong Market Acceptance:</strong> Red Cross Suite has customers in 509 states; Certification accepted</td>
</tr>
</tbody>
</table>
Converting to hStream Subscriptions
hStream is the essential technology working behind the scenes that powers all activity in the HealthStream ecosystem.

Launched April 30, 2018
4.22M Subscriptions
Migrating customers to new VerityStream platform
Modernizing Credentialing & Privileging

October 2012

March 2015

August 2016

December 2019
Replacing Existing with New Resuscitation Solutions
The **New Choice** in Advancing Resuscitation Competence
American Red Cross Resuscitation Suite™

Launched 17 January 2019

Basic Life Support

Advanced Life Support

Pediatric Advanced Life Support
PRESS RELEASE

For Immediate Release:

Community Health Systems Selects American Red Cross Resuscitation Suite™ Program in Enterprise-wide Agreement with HealthStream

NASHVILLE, Tennessee (June 5, 2019) – HealthStream (NASDAQ: HSTM) announced today that CHSPSC, LLC (CHS), an affiliate of Community Health Systems, Inc. (NYSE: CYH), one of the nation’s leading operators of general acute care hospitals, has entered into a seven-year agreement with HealthStream to utilize the American Red Cross Resuscitation Suite™ program, enterprise-wide, for resuscitation skills training and certification, which will be provided through HealthStream’s workforce platform. Concurrently, CHS has joined HealthStream as the founding partner in the HealthStream Resuscitation Innovation Lab to advance knowledge and innovations in resuscitation science for the benefit of the healthcare industry at-large.

“When HealthStream first offered a self-certification model of resuscitation training, CHS was one of the first organizations to adopt and benefit from the program,” said Lynn T. Simon, M.D., President of Clinical Operations and Chief Medical Officer of Community Health Systems. “Now it is exciting to switch to HealthStream’s newest offering, the American Red Cross Resuscitation Suite™ program, which we believe offers exceptional adaptive learning methodology and newer manikin technology with more effective visual feedback.”

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mollie.condra@healthstream.com
$38.8M

Order Value Accounts, Nationwide

(as of 4Q 2019)
High-level Growth Strategies

• Expand Customer Network; Add new customers
• Increase the value of each account; Provide more solutions to each customer; Cross-sell
• Grow new revenue streams via PaaS capabilities
• Inorganic growth
Case Study in Growth

Ohio-based Health System
14,000 Employees

2006
$7.00 Annual Revenue Per Employee

2020
$61.00 Annual Revenue Per Employee

hStream + Compliance Solutions + Performance Center + NRP + Clinical Content

HealthStream
Revenue*

($ in millions)

*2011-2018 Full-Year revenue metrics adjusted retroactively to exclude PX business.
Adjusted EBITDA*

($ in millions)

(1) Adjusted EBITDA is a non-GAAP measure. See “Disclaimers: Financial Information.” A reconciliation of Adjusted EBITDA to net income, the corresponding GAAP financial measure, is provided in the Appendix hereto.

(2) 2011-2018 Full-Year Adjusted EBITDA metrics adjusted retroactively to exclude PX business.
Independent Research Coverage

**CANACCORD Genuity**
Initiated July 2015

**CANTOR Fitzgerald**
Initiated January 2017

**William Blair & Company**
Initiated November 2011

**Barrington Research**
Initiated June 2016

**CRAIG-HALLUM CAPITAL GROUP LLC**
Initiated October 2010

**RAYMOND JAMES**
Initiated January 2020
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