

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>POTE MICHAEL</u> (Last) (First) (Middle) 209 10TH AVE. SOUTH SUITE 450 (Street) NASHVILLE TN 37203 (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) Director 10% Owner Officer (give title below) Other (specify below) Sr. Vice-President
	3. Date of Earliest Transaction (Month/Day/Year) 05/20/2004	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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	05/20/2004		M		2,000	A	\$1.1	26,007	D	
Common Stock	05/20/2004		S		2,000	D	\$2.1915	24,007	D	
Common Stock ⁽¹⁾								48,510	I	By Borneo Partners
Common Stock								3,300	I	By Spouse and children

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							08/22/2000	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)	\$4.06							09/02/2002	09/02/2007	Common Stock	20,812	20,812	D	
Employee Stock Option (right to buy)	\$4.06							09/02/2003	09/02/2007	Common Stock	20,812	20,812	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	Title	Amount or Number of Shares				
Employee Stock Option (right to buy)	\$2.125							10/17/2001	10/17/2008	Common Stock	7,000		7,000	D	
Employee Stock Option (right to buy)	\$2.125							10/17/2002	10/17/2008	Common Stock	7,000		7,000	D	
Employee Stock Option (right to buy)	\$2.125							10/17/2003	10/17/2008	Common Stock	7,000		7,000	D	
Employee Stock Option (right to buy)	\$2.125							10/17/2004	10/17/2008	Common Stock	7,000		7,000	D	
Employee Stock Option (right to buy)	\$1.1							09/17/2004	09/17/2009	Common Stock	25,000		25,000	D	
Employee Stock Option (right to buy)	\$1.1							09/17/2002	09/17/2009	Common Stock	5,600		5,600	D	
Employee Stock Option (right to buy)	\$1.1							09/17/2003	09/17/2009	Common Stock	25,000		25,000	D	
Employee Stock Option (right to buy)	\$1.315							04/16/2007	04/16/2011	Common Stock	12,500		12,500	D	
Employee Stock Option (right to buy)	\$1.315							04/16/2006	04/16/2011	Common Stock	12,500		12,500	D	
Employee Stock Option (right to buy)	\$1.315							04/16/2005	04/16/2011	Common Stock	12,500		12,500	D	
Employee Stock Option (right to buy)	\$1.1	05/20/2004		M		2,000		09/17/2002	09/17/2009	Common Stock	2,000	\$1.1	3,600	D	

Explanation of Responses:

1. The reporting person is administrator of the partnership that owns the reported securities. Mr. Pote disclaims beneficial ownership of these shares except to the extent of his pecuniary interest in those shares.

Remarks:

Michael T. Pote

05/20/2004

** 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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