



WebMD Exercises Right to Put Shares to HealthStream

NASHVILLE, Tenn.--(BW HealthWire)--Feb. 16, 2001--HealthStream (Nasdaq/NM:HSTM) announced today that WebMD (Nasdaq/NM:HLTH) has exercised a right to "put" 1,111,111 shares of HealthStream common stock acquired in a private placement in April 2000 to HealthStream.

This put right was contained in an agreement signed between the two companies on January 5, 2001, that terminated prior agreements and set forth a new business arrangement. Under this new, non-exclusive arrangement, HealthStream will be a 'preferred provider' of continuing medical education, continuing education, and board preparation courses for WebMD's professional portal.

The price of the put is \$1.7833 per share, which was determined by the average of the closing market price for HealthStream common stock for the fifteen full trading days prior to the notice of the exercise of the put.

About HealthStream

HealthStream, Inc., based in Nashville, Tennessee, with offices in Dallas, Denver, Boston, and Raleigh, is a leading provider of e-learning solutions for the healthcare industry.

Healthcare organizations use HealthStream's e-learning solutions to improve learning, increase compliance, and enhance organizational effectiveness for nurses, technicians, staff workers, physicians, and all clinical and non-clinical healthcare employees throughout the enterprise. Pharmaceutical and medical device companies use HealthStream's e-learning solutions to launch educational programs and reach healthcare professionals. Content providers use HealthStream's e-learning solutions to expand the reach of their programs worldwide. Healthcare portals for professionals use HealthStream's e-learning solutions to provide an instant, co-branded e-learning Web site for their users. HealthStream can be visited on the Web at www.healthstream.com

This press release contains forward-looking statements that involve risks and uncertainties regarding HealthStream. Investors are cautioned that such results or events predicted in these statements may differ materially from actual future events or results. Factors that could cause actual events or results to differ from anticipated events or results include HealthStream's limited operating history, its ability to integrate the operations and realize the results of recently completed acquisitions, as well as other risks that are contained in HealthStream's Registration Statement on Form S-1, together with other reports and documents filed from time to time with the Securities and Exchange Commission. Some of these risks and uncertainties relate to HealthStream's ability to: attract and maintain a large base of end users; develop its infrastructure, including additional hardware and software, customer support, personnel and facilities, to support its business; develop and introduce desirable services and compelling content; establish and maintain strategic relationships with content and distribution partners; establish and maintain relationships with sponsors and advertisers; and respond effectively to competitive and technological developments.

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