

**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	
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1. Name and Address of Reporting Person* <u>O'Hara Kevin P</u>			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 <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <b>Senior Vice President</b>		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>07/22/2011</u>					
209 10TH AVENUE SOUTH SUITE 450			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) <u>NASHVILLE TN 37203</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					
(City) (State) (Zip)								

**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	07/22/2011	07/22/2011	M		16,000	A	\$2.69	31,000	D	
Common Stock	07/22/2011	07/22/2011	M		20,000	A	\$3.18	51,000	D	
Common Stock	07/22/2011	07/22/2011	M		21,000	A	\$2.75	72,000	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)	\$2.69	07/22/2011	07/22/2011	M			4,000	02/19/2005	02/19/2012	Common Stock 4,000	\$2.69	0	D	
Employee Stock Option (right to buy)	\$2.69	07/22/2011	07/22/2011	M			4,000	02/19/2006	02/19/2012	Common Stock 4,000	\$2.69	0	D	
Employee Stock Option (right to buy)	\$2.69	07/22/2011	07/22/2011	M			4,000	02/19/2007	02/19/2012	Common Stock 4,000	\$2.69	0	D	
Employee Stock Option (right to buy)	\$2.69	07/22/2011	07/22/2011	M			4,000	02/19/2008	02/19/2012	Common Stock 4,000	\$2.69	0	D	
Employee Stock Option (right to buy)	\$3.18	07/22/2011	07/22/2011	M			5,000	02/25/2006	02/25/2013	Common Stock 5,000	\$3.18	0	D	
Employee Stock Option (right to buy)	\$3.18	07/22/2011	07/22/2011	M			5,000	02/25/2007	02/25/2013	Common Stock 5,000	\$3.18	0	D	
Employee Stock Option (right to buy)	\$3.18	07/22/2011	07/22/2011	M			5,000	02/25/2008	02/25/2013	Common Stock 5,000	\$3.18	0	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)	\$3.18	07/22/2011	07/22/2011	M			5,000	02/25/2009	02/25/2013	Common Stock	5,000	\$3.18	0	D	
Employee Stock Option (right to buy)	\$2.75	07/22/2011	07/22/2011	M			7,000	02/09/2007	02/09/2014	Common Stock	7,000	\$2.75	0	D	
Employee Stock Option (right to buy)	\$2.75	07/22/2011	07/22/2011	M			7,000	02/09/2008	02/09/2014	Common Stock	7,000	\$2.75	0	D	
Employee Stock Option (right to buy)	\$2.75	07/22/2011	07/22/2011	M			7,000	02/09/2009	02/09/2014	Common Stock	7,000	\$2.75	0	D	

Explanation of Responses:

Remarks:

Kevin O'Hara

07/25/2011

\*\* 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.

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.