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HCCS, a HealthStream Company, Unveils KnowledgeQ™, the New Paradigm for Hospitals' Annual Regulatory Training Requirements

Innovative, first-of-its-kind, mobile-enabled solution launched for regulatory training programs; uses HealthStream's benchmark data of over 18 million course completions

NASHVILLE, Tenn.--(BUSINESS WIRE)-- HCCS, a HealthStream (NASDAQ: HSTM) company, announced today the launch of KnowledgeQ™, an innovative solution for hospitals to optimally manage and achieve compliance of regulatory training requirements for their workforce, while concurrently gaining insight into cost reduction opportunities in their training program. Healthcare leaders (i.e. executives and managers) are empowered with a strong set of data, courseware, and unique capabilities to drive their regulatory training programs to success, including national benchmarks from HealthStream's network of over 4.5 million healthcare professionals. The components of KnowledgeQ—an application for healthcare leaders, regulatory courseware, standardized assessments, data, and national benchmarks—together provide an unprecedented new paradigm in regulatory training compliance.

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Every employee in every hospital in the U.S. is required by federal mandate to complete a series of OSHA courses—every year. Over 15 years ago, HealthStream revolutionized the way this is done in U.S. hospitals by introducing online learning for required regulatory training, saving hospitals valuable time and expense while improving the quality of learning for employees. Today, HCCS, HealthStream's company focused on premier, innovative compliance solutions, is introducing the next paradigm shift in regulatory training with KnowledgeQ.

With KnowledgeQ, healthcare leaders will:

- (1) **Set training goals** intelligently with real-time data—based on a series of detailed metrics that drill down into the readiness across the organization and/or based on five core areas of knowledge.
- (2) **Benchmark progress against 18 million test results!** KnowledgeQ provides access to HealthStream's national benchmarks for regulatory training from over 4.5 million healthcare professionals that together have amassed over 18 million test results—as HealthStream has the only set of such benchmarks aggregated from anywhere in the healthcare industry.
- (3) **Manage to success, cutting cost and saving time**. Tools for collaboration within the hospital are provided, along with powerful national benchmarks regarding time spent completing courses and data-driven estimates of the cost of the regulatory training program.
- (4) **Make learning mobile, fun, and engaging** for employees with interactive, engaging courses—along with creative learning video games. KnowledgeQ has 45 regulatory courses and 10 gaming modules built in and ready for learners. All regulatory training has been designed with modern web design principles, making it mobile-device ready (e.g. for smartphones and tablets).

According to *Health Data Management*, nearly 90 percent of healthcare leaders "believe analytics can help their organization make better decisions." There are, however, formidable obstacles. In a study conducted by IBM and Massachusetts Institute of Technology that surveyed 130 healthcare leaders, the #1 obstacle that prevents their widespread adoption of analytics is their "ability to get the data" from within their organizations. Enterprise intelligence is the ability to assimilate and transform data in a way that makes it actionable by any stakeholder within his/her appropriate span of control—and therein lies the potential gamechanging quality of KnowledgeQ. *KnowledgeQ provides actionable data (i.e. "intelligence") with a unique bundle of innovative tools to manage and take action needed to drive outcomes.*

Healthcare leaders that are responsible for regulatory training can now quickly assess their organization's regulatory compliance readiness in five distinct areas of knowledge. He/she can set and manage goals for each of these categories and monitor the progress of his/her workforce throughout his/her organization with detailed drill-down capabilities and, for the first time anywhere, compare results <u>externally</u> against thousands of other organizations across the U.S.

Training effectiveness can be assessed relative to cost in a direct manner that has never before been possible. Labor rate data from the Bureau of Labor and Statistics is built into KnowledgeQ by zip code, which provides hourly rates for over 40 job

categories in hospitals. Coupled with access provided to the amount of time taken for a hospital's workforce to complete its training, an estimate can be derived of their true costs of their compliance training program. Moreover, a hospital's cost of their program can be compared to other healthcare organizations' costs—and best practices can be learned.

As a management tool, KnowledgeQ provides healthcare leaders with a powerful capability where they can create an online discussion about their observations and findings with their colleagues down the hall or across the nation. In this way, collaboration is facilitated and action can be taken on discoveries made from the data. Healthcare leaders can directly manage their regulatory training programs to success.

Training effectiveness is also improved with increased engagement by learners. Years of academic research support the conclusion that people learn best when they are engaged with the content. When learning is required, such as in the case of regulatory training requirements, the effect of better learning via engagement may even be more pronounced. With that in mind, HealthStream's long-standing, highly effective regulatory course library has been redesigned and updated by HCCS with interactive exercises to engage students and reinforce learning. Several new and exciting learning video games have also been added to the library as well.

KnowledgeQ is the second product—following Precyse University DNA—to be launched that includes a Control Center™ application from HealthStream. Control Center technology is unique to HealthStream and is made available to HealthStream and our partners to develop innovative, data-driven, outcomes-focused educational solutions.

"To truly empower healthcare leaders to more effectively make decisions, it is imperative that they be given data at the point where they can make meaningful behavioral changes in their workforce," said Robert A. Frist, Jr., chief executive officer, HealthStream. "A simple report or dashboard isn't enough; the right data with the right tools are needed to support him/her in making decisions that drive real outcomes in hospitals. For optimally managing a regulatory training program—a requirement for all hospitals—I believe that KnowledgeQ is a potential game-changer in the industry as healthcare leaders can increase compliance and reduce costs in ways never before possible."

About HealthStream

HealthStream (NASDAQ: HSTM) is dedicated to improving patient outcomes through the development of healthcare organizations' greatest asset: their people. Our unified suite of solutions is contracted by healthcare organizations in the U.S. for workforce development, training & learning management, talent management, credentialing, provider enrollment, performance assessment, and managing simulation-based education programs. Our patient experience/research solutions provide valuable insight to healthcare providers to meet CAHPS requirements, improve the patient experience, engage their workforce, and enhance physician alignment. Based in Nashville, Tennessee, HealthStream has additional offices in Laurel, Maryland; Brentwood, Tennessee; Pensacola, Florida; Jericho, New York; and San Diego, California. For more information, visit http://www.healthstream.com or call 800-933-9293.

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. This information has been 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. These forward-looking statements are based on a variety of assumptions that may not be realized, and which are subject to significant risks and uncertainties, including that the acquisition may not be consummated and that the anticipated financial and strategic benefits of the acquisition may not be realized, as well as risks and uncertainties referenced from time to time in the Company's filings with the Securities and Exchange Commission.

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