

HealthStream Partners with OnFocus Healthcare to Power an Innovative Solution to Maximize Enterprise Performance in Healthcare Organizations

Launched as the "HealthStream Improvement Center," This Robust Tool Provides Clear Accountability for Hospitals' Mission-Critical Improvement Plans

NASHVILLE, Tenn., Nov 10, 2009 (BUSINESS WIRE) -- HealthStream, Inc. (NASDAQ: HSTM), a leading provider of learning and research solutions for the healthcare industry, announced today a partnership with OnFocus Healthcare, Inc., a healthcare enterprise performance management solutions company, to power the "HealthStream Improvement Center(TM)." This new online system is a powerful tool for optimizing and accelerating the execution of improvement plans -- including those plans based on results from employee, physician, and community surveys -- as well as patient HCAHPS (Hospital Consumer Assessment of Healthcare Providers and Systems) surveys. HealthStream offers the Improvement Center as an ideal platform for providing continuous, visible, organization-wide collaboration thereby enabling the successful execution of hospitals' plans to improve a variety of clinical and business outcomes.

"This new partnership joins two important partners of ours and the outstanding tools they provide to support our quality improvement initiatives," said Kent Wallace, president and chief operating officer, Vanguard Health Systems, Inc. Vanguard currently uses OnFocus Healthcare's tool to manage key strategic initiatives, and surveys its affiliated physicians using HealthStream's Physician Insights service. "As a top performer in HealthStream's national physician satisfaction database, Vanguard will now be able to easily establish and manage goals to achieve even better physician relationships. We see this partnership as a catalyst for expanding the adoption of what is proving to be a powerful tool in fostering a culture of performance and accountability."

Using the Improvement Center, hospital leaders charged with improving outcomes can easily collaborate with their employees in real-time to effectively manage progress toward achieving their goals to improve HCAHPS scores, employee engagement, physician satisfaction, and a variety of other business and clinical outcomes. In short, the Improvement Center provides a robust system to focus and align an organization on achieving required performance targets in less time, with fewer resources, and with greater impact on the bottom line.

"We have seen first-hand the positive impact that our enterprise performance management system is making in healthcare organizations as they use our tools to more efficiently and effectively achieve their financial, clinical, and operational objectives -- and we are excited to build on the momentum that is already underway," said Steven J. Mason, Jr., president and chief executive officer, OnFocus Healthcare. "To that end, the opportunity to partner with HealthStream and leverage their customer network of approximately half of the nation's acute care hospitals provides an ideal position for us to expand our reach and provide a value-added product to HealthStream's customers."

"Our focus at HealthStream has always been on supporting healthcare providers with insight and tools that ultimately improve the quality of patient care delivered," said J. Edward Pearson, president, HealthStream Research and senior vice president, HealthStream. "Now -- in addition to our comprehensive line of survey products, national benchmarks, HCAHPS Improvement Library, consulting services, and other support tools -- the Improvement Center significantly adds to our storehouse of highimpact, proven solutions for healthcare organizations. I believe that the Improvement Center and, more generally, our strong partner network further delineate HealthStream as the 'go-to' source for gaining insight about healthcare organizations' HCAHPS performance, employees and physician relations, and the communities they serve and, in turn, taking action to affect positive improvements."

To learn more about the HealthStream Improvement Center, call 800-473-1771.

About HealthStream

HealthStream (NASDAQ: HSTM) is a leading provider of learning and research solutions for the healthcare industry, transforming *insight into action* to deliver outcomes-based results for healthcare organizations. Through HealthStream's learning solutions -- which have been contracted by over two million hospital-based healthcare professionals -- healthcare organizations create safer environments for patients, increase clinical competencies of their workforces, and facilitate the rapid transfer of the latest knowledge and technologies. Through our research products, executives from healthcare organizations gain valuable insight about patients' experiences, workforce challenges, physician relations, and community perceptions of their services. Based in Nashville, Tennessee, HealthStream has two satellite offices. For more information about HealthStream's

learning and research solutions, visit <u>www.healthstream.com</u> or call us at 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, 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 Company's preliminary financial results, while presented with numerical specificity, are forward-looking statements which are based on a variety of assumptions regarding the Company's operating performance that may not be realized, and which are subject to significant uncertainties and potential contingencies associated with the Company's financial and accounting procedures and other matters referenced from time to time in the Company's 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.

SOURCE: HealthStream, Inc.

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