| SEC Form 4 | |
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FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

| Check this box if no longer subject to |
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| Section 16. Form 4 or Form 5 |
| obligations may continue. See |
| Instruction 1(b). |

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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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| | hours per response: | 0.5 |
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| 1. Name and Addre | 1 0 | son* | 2. Issuer Name and Ticker or Trading Symbol HEALTHSTREAM INC [HSTM] | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) | | | | |
|-------------------------------------|--------------------|----------|--|---|---|-----------------------------|--|--|
| Sousa Micha | <u>ei</u> | | | x | Director Officer (give title | 10% Owner Other (specify | | |
| (Last) 209 10TH AVE SUITE 450 | (First) . SOUTH | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year) 03/21/2013 | | below) Senior Vice | below) President | | |
| (Street) NASHVILLE TN 37203 | | | 4. If Amendment, Date of Original Filed (Month/Day/Year) | 6. Indiv Line) X | idual or Joint/Group Fil Form filed by One Re Form filed by More th Person | eporting 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) | | Date, Transaction Code (Instr. | | | | | Securities Beneficially | 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 | Transaction(s) (Instr. 3 and 4) | | (1130.4) | |
| Common Stock | 03/21/2013 | | М | | 562(1) | A | \$0.00 | 8,287 | D | | |
| Common Stock | 03/21/2013 | | F | | 184(2) | D | \$21.34 | 8,103 | D | | |

 Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

| | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transa Code (8) | | n of | | 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 | | | | |
| Rest Shar Unit | \$0.00 ⁽³⁾ | 03/21/2013 | | М | | | 562 | 03/18/2013 ⁽⁴⁾ | (5) | Common Stock | 562 | \$0.00 | 3,188 | D | |

Explanation of Responses:

1. Shares acquired on vesting of restricted share units.

2. Shares withheld for payment of tax liability.

3. Each restricted share unit (RSU) represents the contingent right to receive one share of common stock upon vesting of the unit.

4. The RSU's are subject to a four year vesting schedule, contingent upon continued service at the time of vesting. 15% vest on March 18, 2013, 20% vest on March 18, 2014, 30% vest on March 18, 2015, and the remaining 35% vest on March 18, 2016.

5. Not applicable.

Remarks:

Michael Sousa

** Signature of Reporting Person

03/25/2013 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.