



HealthStream and Challenger Corporation Enter New Agreement, Resolve Previous Dispute

NASHVILLE, Tenn.--(BW HealthWire)--April 8, 2002--

Acclaimed 'Core Curriculum in Primary Care' Medical Education Series to be Distributed by Challenger in Alliance with HealthStream

HealthStream, Inc. (NASDAQ/NM: HSTM), a leading provider of learning solutions for the healthcare industry, today announced that it has entered into an agreement with Challenger Corporation, a Memphis-based, privately-held firm specializing in the creation and distribution of high-quality clinical educational material, that grants a non-exclusive license to Challenger to market and distribute HealthStream's "Core Curriculum in Adult Primary Care" live lecture series in CD-ROM and online format to their base of physicians throughout the United States and Latin America.

The new agreement includes a five-year sales and marketing alliance to allow Challenger to distribute HealthStream's Core Curriculum content and create its own derivative materials for distribution under a revenue-sharing agreement with HealthStream, as well as a one-time disbursement of \$100,000 from HealthStream to Challenger. The agreement provides a resolution to a previous content licensing dispute.

About HealthStream

HealthStream (Nasdaq/NM: HSTM), based in Nashville, Tennessee, with an additional office in Denver, Colorado, is a leading provider of learning solutions for the healthcare industry.

Healthcare organizations use HealthStream's 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 learning solutions to launch educational programs and reach healthcare professionals. Content providers use HealthStream's 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.

About Challenger Corporation

Challenger Corporation, based in Memphis, Tennessee, with an additional office in Charleston, South Carolina, is a privately held firm specializing in the creation and distribution of high-quality clinical educational material for physicians throughout the United States and Latin America. Challenger owns the world's largest electronic library of physician education and training content (over 1800 approved hours) and is well-known in the medical publishing and retail physician education markets. The firm is the largest provider of competency testing for boards preparation for emergency medicine and family physicians nationwide. Challenger engages more than 125 physician editors, authors and reviewers nationwide, and addresses the educational needs of over 385,000 domestic physicians. Eight medical universities and nursing specialty societies serve as Joint Sponsors for Challenger, and the content is approved by three medical specialty societies.

This press release includes certain forward-looking statements (statements other than solely with respect to historical fact), including statements regarding expectations for the financial performance for the fourth quarter of 2001, that involve risks and uncertainties regarding HealthStream. These statements are based upon management's beliefs, as well as assumptions made by and data currently available to management. 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 year-end 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. Actual results may differ materially from those anticipated in any such forward-looking statements. The Company undertakes no obligation to update or revise any such forward-looking statements.

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