



Scott and White Clinic and Hospital Transition to HealthStream's Learning Network of Healthcare Organizations

NASHVILLE, Tenn., Feb 4, 2003 (BUSINESS WIRE) --

HealthStream's Internet-based Healthcare Learning Center™ is selected by Scott & White's 7,000 employees for HIPAA and regulatory training in exclusive, three-year agreement.

HealthStream, Inc. (NASDAQ/NM:HSTM), a leading provider of learning solutions for the healthcare industry, today announced that it has been selected by Scott & White Clinic and Hospital, the largest multi-specialty healthcare provider group in Texas, to deliver online training through HealthStream's Internet-based Healthcare Learning Center™. The exclusive, three-year agreement includes both HIPAA (Health Insurance Portability and Accountability Act) and regulatory training curricula for Scott & White's 7,000 healthcare employees.

According to their new agreement, HealthStream's Internet-based Healthcare Learning Center will be used by Scott & White's 7,000 employees to meet regulatory training requirements as mandated by the Occupational Safety & Health Administration (OSHA) and the Joint Commission on Accreditation of Healthcare Organizations (JCAHO). Ranked among the nation's "Top 100" hospitals for last three consecutive years, Scott & White has also received the "Accreditation with Commendation" award by JCAHO, the highest level of recognition awarded by this accrediting body. Already a customer of HealthStream's non-Internet-based learning management system, Scott & White chose to transition to HealthStream's Internet-based learning network of healthcare organizations--consisting of over a half million healthcare professionals who are currently subscribers--to maintain their excellent record in meeting JCAHO and OSHA-mandated training requirements.

Along with the regulatory curriculum, Scott & White Clinic and Hospital selected HealthStream's comprehensive HIPAA curriculum to train their employees. Set to go into effect in April of this year, HIPAA presents a formidable, urgent training challenge for healthcare organizations. This new federal legislation mandates that hospitals educate their employees to become fully proficient and well informed of its specifications and requirements. HealthStream's online HIPAA learning solution, chosen by Scott & White Clinic and Hospital, jumpstarts training initiatives to become HIPAA compliant.

As one of the nation's largest and most progressive multi-specialty group practices, Scott & White's decision to subscribe to HealthStream's Healthcare Learning Center™ is indicative of their strong commitment to leverage information technology to support the efficiency and effectiveness of their outstanding educational track record. Functioning as a teaching campus of the Texas A&M University System Health Science Center of Medicine, Scott & White has 21 residency programs for 260 physicians, along with 24 allied health programs from 50 different schools and colleges. The Scott and White School of Nursing has functioned as a baccalaureate program since 1970.

"As the rapidly approaching deadline of April 2003 looms over the shoulders of all healthcare organizations, HealthStream's HIPAA training curriculum is increasingly becoming the just-in-time learning solution preferred by premier integrated healthcare delivery organizations--like Scott & White Clinic and Hospital," said Michael Pote, senior vice president, HealthStream. "We are seeing customers utilize our solutions to address multiple challenges in their organizations--HIPAA and regulatory compliance being two, but also including clinical training and in-house proprietary training."

About HealthStream

HealthStream (NASDAQ: HSTM) is a leading provider of learning solutions for the healthcare industry. Over a half-million healthcare professionals currently subscribe to the Internet-based Healthcare Learning Center™, HealthStream's learning platform. The Company's learning products and services are used by healthcare organizations to meet the full range of their training needs, while, concurrently, supporting business objectives. Once subscribed to the Healthcare Learning Center™, customers benefit from increased compliance, reduced risks, and improved learning effectiveness. In addition, HealthStream has pioneered a new collaboration with pharmaceutical and medical device companies to assist them in product launch and market education initiatives within the Company's nationwide network of hospital customers. Nine of the top ten medical device companies and eight of the top ten pharmaceutical companies are among the organizations in HealthStream's growing customer base. (www.healthstream.com)

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. Factors that could cause actual events or results to differ from anticipated events or results include HealthStream's limited operating history, its ability to integrate the operations and realize the results of recently completed acquisitions, as well

as other risks that are contained in HealthStream's Annual Report on Form 10-K, together with other reports and documents filed from time to time with the Securities and Exchange Commission. Some of these risks and uncertainties relate to HealthStream's ability to: attract and maintain a large base of end users; develop its infrastructure, including additional hardware and software, customer support, personnel and facilities, to support its business; develop and introduce desirable services and compelling content; establish and maintain strategic relationships with content and distribution partners; establish and maintain relationships with sponsors and advertisers; and respond effectively to competitive and technological developments.

CONTACT: HealthStream Mollie Elizabeth Condra, 615/301-3237 mollie.condra@healthstream.com