

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

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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|   |         |          |   |  |  |
|---|---------|----------|---|--|--|
| 1. Name and Address of Reporting Person*<br><b>GORDON FRANK</b> |         |          | 2. Issuer Name and Ticker or Trading Symbol<br><b>HEALTHSTREAM INC [ HSTM ]</b> |  | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><br><input checked="" type="checkbox"/> Director 10% Owner<br><br>Officer (give title below) Other (specify below) |
| (Last)  | (First) | (Middle) | 3. Date of Earliest Transaction (Month/Day/Year)<br><b>03/19/2018</b>           |  |  |
| 3102 WEST END AVE.<br>SUITE 650                                 |         |          | 4. If Amendment, Date of Original Filed (Month/Day/Year)                        |  |  |
| (Street)  |         |          |   |  | 6. Individual or Joint/Group Filing (Check Applicable Line)<br><br><input checked="" type="checkbox"/> Form filed by One Reporting Person<br><br>Form filed by More than One Reporting Person    |
| <b>NASHVILLE TN 37203</b>                                       |         |          |   |  |  |
| (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) | 3. Transaction Code (Instr. 8) |   | 4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5) |            |        | 5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4) | 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  |   |  |   |
| Common Stock                    | 03/19/2018                           |  | M                              |   | 2,846 <sup>(1)</sup>  | A          | \$0.00 | 184,375   | D  |   |
| Common Stock                    |                                      |  |                                |   |   |            |        | 100,000   | I  | Held by Crofton Capital                               |
| Common Stock                    |                                      |  |                                |   |   |            |        | 11,386  | I  | Held by The Joel Company                              |
| Common Stock                    |                                      |  |                                |   |   |            |        | 2,500   | I  | Custodial account for minor child - Gavin B. Gordon   |
| Common Stock                    |                                      |  |                                |   |   |            |        | 2,500   | I  | Custodial account for minor child - Cameron L. Gordon |

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

| 1. Title of Derivative Security (Instr. 3) | 2. Conversion or Exercise Price of Derivative Security | 3. Transaction Date (Month/Day/Year) | 3A. Deemed Execution Date, if any (Month/Day/Year) | 4. Transaction Code (Instr. 8) |   | 5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) |       | 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 |  |  |   |  |
| Restricted Share Units                     | \$0.00 <sup>(2)</sup>                                  | 03/19/2018                           |  | M                              |   |  | 849   | (3)  | (4)             | Common Stock  | 849                        | \$0.00                                     | 0  | D   |  |
| Restricted Share Units                     | \$0.00 <sup>(2)</sup>                                  | 03/19/2018                           |  | M                              |   |  | 1,075 | (5)  | (4)             | Common Stock  | 1,075                      | \$0.00                                     | 1,074  | D   |  |
| Restricted Share Units                     | \$0.00 <sup>(2)</sup>                                  | 03/19/2018                           |  | M                              |   |  | 922   | (6)  | (4)             | Common Stock  | 922                        | \$0.00                                     | 1,844  | D   |  |

**Explanation of Responses:**

- Shares acquired on vesting of restricted share units.
- Each restricted share unit (RSU) represents the contingent right to receive one share of common stock upon vesting of the unit.

3. The RSU's are subject to a three year vesting schedule, contingent upon continued service at the time of vesting. The RSU's vest annually beginning March 10, 2016 in three equal installments.
4. Not applicable.
5. The RSU's are subject to a three year vesting schedule, contingent upon continued service at the time of vesting. The RSU's vest annually beginning March 17, 2017 in three equal installments.
6. The RSU's are subject to a three year vesting schedule, contingent upon continued service at the time of vesting. The RSU's vest annually beginning March 16, 2018 in three equal installments.

**Remarks:**

Frank E. Gordon

03/19/2018

\*\* Signature of Reporting Person

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.**