

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	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>BROWNIE SUSAN</u> (Last) (First) (Middle) 209 10TH AVE. SOUTH SUITE 450 (Street) NASHVILLE TN 37203 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>HEALTHSTREAM INC [HSTM]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>Chief Financial Officer</u>
	3. Date of Earliest Transaction (Month/Day/Year) 07/30/2007	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

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	07/30/2007	07/30/2007	M		29,429	A	\$2.125	71,961	D	
Common Stock	07/30/2007	07/30/2007	M		10,000	A	\$1.315	81,961	D	
Common Stock	07/30/2007	07/30/2007	M		21,000	A	\$2.69	102,961	D	
Common Stock	07/30/2007	07/30/2007	M		9,000	A	\$2.75	111,961	D	
Common Stock	07/30/2007	07/30/2007	S		54,429	D	\$3.1657	57,532	D	
Common Stock								600	I	By Spouse

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					
Employee Stock Option (right to buy)	\$2.75	07/30/2007	07/30/2007	M			9,000	02/09/2007	02/09/2014	Common Stock 9,000	\$0.00	0	D	
Employee Stock Option (right to buy)	\$2.125	07/30/2007	07/30/2007	M			7,353	10/17/2001	10/17/2008	Common Stock 7,353	\$0.00	0	D	
Employee Stock Option (right to buy)	\$2.125	07/30/2007	07/30/2007	M			7,359	10/17/2002	10/17/2008	Common Stock 7,359	\$0.00	0	D	
Employee Stock Option (right to buy)	\$2.125	07/30/2007	07/30/2007	M			7,359	10/17/2003	10/17/2008	Common Stock 7,359	\$0.00	0	D	
Employee Stock Option (right to buy)	\$2.125	07/30/2007	07/30/2007	M			7,358	10/17/2004	10/17/2008	Common Stock 7,358	\$0.00	0	D	

**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				
Employee Stock Option (right to buy)	\$1.315	07/30/2007	07/30/2007	M			5,000	04/16/2004	04/16/2011	Common Stock	5,000	\$0.00	0	D	
Employee Stock Option (right to buy)	\$1.315	07/30/2007	07/30/2007	M			5,000	04/16/2007	04/16/2011	Common Stock	5,000	\$0.00	0	D	
Employee Stock Option (right to buy)	\$2.69	07/30/2007	07/30/2007	M			7,000	02/19/2005	02/19/2012	Common Stock	7,000	\$0.00	0	D	
Employee Stock Option (right to buy)	\$2.69	07/30/2007	07/30/2007	M			7,000	02/19/2006	02/19/2012	Common Stock	7,000	\$0.00	0	D	
Employee Stock Option (right to buy)	\$2.69	07/30/2007	07/30/2007	M			7,000	02/19/2007	02/19/2012	Common Stock	7,000	\$0.00	0	D	

Explanation of Responses:

Remarks:

Susan A. Brownie

08/01/2007

** 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.