
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 27, 2019 (June 26, 2019)

HealthStream, Inc.

(Exact name of Registrant as Specified in Its Charter)

Tennessee
(State or Other Jurisdiction
of Incorporation)

000-27701
(Commission File Number)

621443555
(IRS Employer
Identification No.)

500 11th Avenue North, Suite 1000,
Nashville, Tennessee
(Address of Principal Executive Offices)

37203
(Zip Code)

Registrant's Telephone Number, Including Area Code: 615-301-3100

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instructions A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, no par value	HSTM	Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

On June 27, 2019, HealthStream, Inc., a Tennessee corporation (the “Company”) announced in a press release that the Company’s chief executive officer, Robert A. Frist, Jr., has contributed approximately \$2,000,000 of his personally owned shares of Company common stock to the Company, without any consideration paid to Mr. Frist, for the benefit of approximately 820 HealthStream employees, excluding executive officers. The press release also announced that the Company has approved the grant of that same number of shares under its 2016 Omnibus Incentive Plan to these employees. It is contemplated that these shares, which will not be subject to any vesting conditions, will be issued in late July 2019. In addition, the press release announced that Mr. Frist has contributed approximately \$200,000 of additional shares to the Company, without any consideration paid to Mr. Frist, which amount is equivalent to the estimated Company costs associated with the equity grants, such as administrative expenses and employer payroll taxes, which will be associated with the grants. A copy of the press release making this announcement is attached as Exhibit 99.1 and incorporated by reference herein.

Item 9.01 – Financial Statements and Exhibits

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1*	<u>Press Release of HealthStream, Inc. dated June 27, 2019.</u>

* Furnished herewith.

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1*	Press Release of HealthStream, Inc. dated June 27, 2019

* Furnished herewith.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

Date: June 27, 2019

HEALTHSTREAM, INC.

By: /s/ Scott A. Roberts
Scott A. Roberts
Interim Chief Financial Officer

For Immediate Release:

Contact:
Mollie Condra, Ph.D.
HealthStream
(615)-301-3237
mollie.condra@healthstream.com

HealthStream CEO Rewards Employees with Contribution of Personally Owned Shares of Company Stock

NASHVILLE, Tennessee (June 27, 2019) – HealthStream (Nasdaq: HSTM) announced today that its chief executive officer, Robert A. Frist, Jr., has contributed approximately \$2.0 million of his personally owned shares of HealthStream common stock for the benefit of HealthStream employees. To accomplish this, Mr. Frist has contributed 78,520 of his shares to HealthStream, and HealthStream has approved the grant of that same number of shares under its 2016 Omnibus Incentive Plan to eligible employees, as noted below. It is contemplated that these shares, which will not be subject to any vesting conditions, will be issued in late July.

Approximately 820 HealthStream employees will receive shares of stock from this contribution, which will include all active employees with the exception of the Company's executive officer team.

"Since our initial launch as a two-person company in 1990, HealthStream has grown into a leading provider of workforce development solutions for healthcare organizations—and our employees have made this happen," said Robert A. Frist, Jr., chief executive officer, HealthStream. "I am excited to make this contribution to allow our employees, many of whom have not previously participated in our equity programs, to become owners in the Company that they helped to build and join all of our financial stakeholders in the future success of HealthStream."

The grant of HealthStream common stock for employees will result in no dilution of shares to any existing shareholders other than Mr. Frist. In addition, Mr. Frist has contributed an additional 7,852 shares (valued at approximately \$200,000) to HealthStream, without consideration paid to Mr. Frist, which amount is equivalent to the estimated Company costs associated with the equity grants, such as administrative expenses and employer payroll taxes which will be associated with the grants. The Company will record a compensation expense of approximately \$2.0 million, along with approximately \$200,000 for such administrative expenses and employer payroll taxes, in connection with this transaction in the second quarter of 2019. The only impact on adjusted EBITDA in connection with this transaction will be approximately \$200,000 of such payroll tax and administrative expenses.

"Our employees are united in their strong commitment to our vision to improve the quality of healthcare delivery and their hard work over the years is making a difference," said Mr. Frist.

“For those that have been on this journey, I want to recognize their service with the expression of my appreciation.”

About HealthStream

HealthStream (Nasdaq: HSTM) is dedicated to improving patient outcomes through the development of healthcare organizations’ greatest asset: their people. Our unified suite of solutions is contracted by healthcare organizations across the U.S. for workforce development, training & learning management, talent management, credentialing, privileging, provider enrollment, performance assessment, and managing simulation-based education programs. Based in Nashville, Tennessee, HealthStream has additional offices in Jericho, New York; Boulder, Colorado; Denver, Colorado; San Diego, California; and Chicago, Illinois. For more information, visit <http://www.healthstream.com> or call 800-933-9293.

This press release contains forward-looking statements (statements other than solely with respect to historical fact) 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. 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. The Company cautions that forward-looking statements involve known and unknown risks, uncertainties, and other factors that may cause the actual results or events predicted in these statements to be materially different from actual future events or results, including, without limitation, as the result of risks referenced in the Company’s Annual Report on Form 10-K for the year ended December 31, 2018, filed on February 25, 2019, and in the Company’s other filings with the Securities and Exchange Commission from time to time. Readers should not place undue reliance on forward-looking statements, which reflect management’s views only as of the date hereof. The Company undertakes no obligation to update or revise any such forward-looking statements.

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