

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

SCHEDULE 13G

(Rule 13d-102)

INFORMATION TO BE INCLUDED IN STATEMENTS FILED PURSUANT
TO RULES 13d-1(b), (c), AND (d) AND AMENDMENTS THERETO FILED
PURSUANT TO RULE 13d-2(b)1

Healthstream, Inc.

(Name of Issuer)

Common Stock, no Par Value

(Title of Class of Securities)

42222N103

(CUSIP Number)

April 11, 2000

(Date of Event Which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this
Schedule is filed:

- Rule 13d-1(b)
 Rule 13d-1(c)
 Rule 13d-1(d)

1 The remainder of this cover page shall be filled out for a reporting
person's initial filing on this form with respect to the subject class of
securities, and for any subsequent amendment containing information which would
alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be
deemed to be "filed" for the purpose of Section 18 of the Securities Exchange
Act of 1934 or otherwise subject to the liabilities of that section of the Act
but shall be subject to all other provisions of the Act (however, see the
Notes).

CUSIP No. 42222N103

13G

Page 2 of 13 Pages

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

MORGAN STANLEY DEAN WITTER & CO.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a)
(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH

5. SOLE VOTING POWER -0-

6. SHARED VOTING POWER 1,138,940

7. SOLE DISPOSITIVE POWER -0-

8. SHARED DISPOSITIVE POWER 1,138,940

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,138,940

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES

CERTAIN SHARES*

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

5.4%

12. TYPE OF REPORTING PERSON*

CO

*SEE INSTRUCTIONS BEFORE FILLING OUT!

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

MORGAN STANLEY VENTURE CAPITAL III, INC.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) []

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5. SOLE VOTING POWER	-0-
	6. SHARED VOTING POWER	1,138,940
	7. SOLE DISPOSITIVE POWER	-0-
	8. SHARED DISPOSITIVE POWER	1,138,940

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,138,940

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

5.4%

12. TYPE OF REPORTING PERSON*

CO, IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

MORGAN STANLEY VENTURE PARTNERS III, L.L.C.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) []

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5. SOLE VOTING POWER	-0-
	6. SHARED VOTING POWER	1,138,940
	7. SOLE DISPOSITIVE POWER	-0-
	8. SHARED DISPOSITIVE POWER	1,138,940

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

1,138,940

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

5.4%

12. TYPE OF REPORTING PERSON*

00, IA

*SEE INSTRUCTIONS BEFORE FILLING OUT!

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

MORGAN STANLEY VENTURE PARTNERS III, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) []

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5. SOLE VOTING POWER	-0-
	6. SHARED VOTING POWER	999,284
	7. SOLE DISPOSITIVE POWER	-0-
	8. SHARED DISPOSITIVE POWER	999,284

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

999,284

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

4.7%

12. TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

MORGAN STANLEY VENTURE INVESTORS III, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a)
(b)

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5. SOLE VOTING POWER	-0-
	6. SHARED VOTING POWER	95,947
	7. SOLE DISPOSITIVE POWER	-0-
	8. SHARED DISPOSITIVE POWER	95,947

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

95,947

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES*

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

0.5%

12. TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

1. NAMES OF REPORTING PERSONS
I.R.S. IDENTIFICATION NO. OF ABOVE PERSONS (ENTITIES ONLY)

THE MORGAN STANLEY VENTURE PARTNERS ENTREPRENEUR FUND, L.P.

2. CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) []
(b) []

3. SEC USE ONLY

4. CITIZENSHIP OR PLACE OF ORGANIZATION

Delaware

NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	5. SOLE VOTING POWER	-0-
	6. SHARED VOTING POWER	43,709
	7. SOLE DISPOSITIVE POWER	-0-
	8. SHARED DISPOSITIVE POWER	43,709

9. AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON

43,709

10. CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (9) EXCLUDES CERTAIN SHARES* []

11. PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW 9

0.2%

12. TYPE OF REPORTING PERSON*

PN

*SEE INSTRUCTIONS BEFORE FILLING OUT!

Item 1(a). Name of Issuer:

Healthstream, Inc.

Item 1(b). Address of Issuer's Principal Executive Offices:

209 10th Avenue South, Suite 450, Nashville, Tennessee 37203

Item 2(a). Name of Person Filing:

This statement is filed jointly on behalf of the persons identified below. In accordance with Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), each person filing this statement acknowledges that it is responsible for the completeness and accuracy of the information concerning that person but is not responsible for the completeness or accuracy of the information concerning the other persons making the filing, unless such person knows or has reason to believe that such information is inaccurate.

Morgan Stanley Dean Witter & Co. ("MSDW")

Morgan Stanley Venture Capital III, Inc. ("MSVC III, Inc.")

Morgan Stanley Venture Partners III, L.L.C. ("MSVP III, L.L.C.")

Morgan Stanley Venture Partners III, L.P. ("MSVP III, L.P.")

Morgan Stanley Venture Investors III, L.P. ("MSVI III, L.P.")

The Morgan Stanley Venture Partners Entrepreneur Fund, L.P. (the "Entrepreneur Fund")

Item 2(b). Address of Principal Business Office or, if None, Residence:

The address of the principal business office of MSVC III, Inc., MSVP III, L.L.C., MSVP III, L.P., MSVI III, L.P. and the Entrepreneur Fund is:

1221 Avenue of the Americas
New York, New York 10020

The address of the principal business office of MSDW is:

1585 Broadway
New York, New York 10036

Item 2(c). Citizenship:

The citizenship of MSDW, MSVC III, Inc., MSVP III, L.L.C., MSVP III, L.P., MSVI III, L.P. and the Entrepreneur Fund is Delaware.

Item 2(d). Title of Class of Securities:

This statement relates to the Company's Common Stock, no par value per share.

Item 2(e). CUSIP Number:

42222N103

Item 3. If this Statement is Filed Pursuant to Rule 13d-1(b), or 13d-2(b) or (c), Check Whether the Person Filing is a:

- (a) Broker or dealer registered under Section 15 of the Exchange Act;
- (b) Bank as defined in Section 3(a)(6) of the Exchange Act;
- (c) Insurance company as defined in Section 3(a)(19) of the Exchange Act;
- (d) Investment company registered under Section 8 of the Investment Company Act;
- (e) An investment adviser in accordance with Rule 13d-1(b)(1)(ii)(E);
- (f) An employee benefit plan or endowment fund in accordance with Rule 13d-1(b)(1)(ii)(F);
- (g) A parent holding company or control person in accordance with Rule 13d-1(b)(1)(ii)(G);
- (h) A savings association as defined in Section 3(b) of the Federal Deposit Insurance Act;
- (i) A church plan that is excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act;
- (j) Group, in accordance with Rule 13d-1(b)(1)(ii)(J).

Item 4. Ownership.

The filing of this statement should not be construed as an admission by any person that such person is, for purposes of Section 13(d) or 13(g) of the Exchange Act, the beneficial owner of any securities covered by this statement, other than the securities set forth opposite such person's name in the table in Item 4(c) below.

(a) Amount beneficially owned:

As of December 31, 2000: (i) MSVP III, L.P. owned directly 999,284 shares of Common Stock; (ii) MSVI III, L.P. owned directly 95,947 shares of Common Stock; and (iii) the Entrepreneur Fund owned directly 43,709 shares of Common Stock.

MSVP III, L.L.C. is the general partner of MSVP III, L.P., MSVI III, L.P. and the Entrepreneur Fund (collectively, the "Funds"), and, as such, has the power to vote or direct the vote and to dispose or direct the disposition of all of the shares of Common Stock held by the Funds. MSVC III, Inc. is the institutional managing member of MSVP III, L.L.C., and, as such, shares, together with the remaining managing members, the power to direct the actions of MSVP III, L.L.C. MSDW, as the sole shareholder of MSVC III, Inc., controls the actions of MSVC III, Inc. Therefore, MSVP III, L.L.C.,

MSVC III, Inc. and MSDW each may be deemed to have beneficial ownership of the 1,138,940 shares of Common Stock held collectively by the Funds.

(b) Percent of class: (1)

Morgan Stanley Dean Witter & Co.	5.4% of the Common Stock
Morgan Stanley Venture Capital III, Inc.	5.4% of the Common Stock
Morgan Stanley Venture Partners III, L.L.C.	5.4% of the Common Stock
Morgan Stanley Venture Partners III, L.P.	4.7% of the Common Stock
Morgan Stanley Venture Investors III, L.P.	0.5% of the Common Stock
The Morgan Stanley Venture Partners Entrepreneur Fund, L.P.	0.2% of the Common Stock

(1) Based on the 21,233,474 shares of Common Stock reported to be outstanding as of November 10, 2000 on the Form 10-Q filed with the SEC, for the quarter ended September 30, 2000.

(c) Number of shares as to which such person has:

	(i) Sole power to vote or to direct to vote	(ii) Shared power to vote or to direct to vote	(iii) Sole power to dispose or to direct the disposition of	(iv) Shared power to dispose or to direct the disposition of
Morgan Stanley Dean Witter & Co.	- 0 -	1,138,940	- 0 -	1,138,940
Morgan Stanley Venture Capital III, Inc.	- 0 -	1,138,940	- 0 -	1,138,940
Morgan Stanley Venture Partners III, L.L.C.	- 0 -	1,138,940	- 0 -	1,138,940
Morgan Stanley Venture Partners III, L.P.	- 0 -	999,284	- 0 -	999,284
Morgan Stanley Venture Investors III, L.P.	- 0 -	95,947	- 0 -	95,947
The Morgan Stanley Venture Partners Entrepreneur Fund, L.P.	- 0 -	43,709	- 0 -	43,709

Item 5. Ownership of Five Percent or Less of a Class.

If this statement is being filed to report the fact that as of the date hereof the reporting person has ceased to be the beneficial owner of more than five percent of the class of securities, check the following. []

Item 6. Ownership of More than Five Percent on Behalf of Another Person.

Not applicable.

Item 7. Identification and Classification of the Subsidiary Which Acquired the Security Being Reported on by the Parent Holding Company or Control Person.

Not applicable.

Item 8. Identification and Classification of Members of the Group.

Not applicable.

Item 9. Notice of Dissolution of Group.

Not applicable.

Item 10. Certifications.

Not applicable.

SIGNATURE

After reasonable inquiry and to the best of the knowledge and belief of each of the undersigned, each of the undersigned certifies that the information set forth in this statement is true, complete and correct.

Date: January 26, 2001

MORGAN STANLEY DEAN WITTER & CO.

By: /s/ Peter Vogelsang

Name: Peter Vogelsang
Title: Authorized Signatory

MORGAN STANLEY VENTURE CAPITAL III,
INC.

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

MORGAN STANLEY VENTURE PARTNERS III, L.L.C.

By: Morgan Stanley Venture Capital III, Inc.,
as Institutional Managing Member

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

MORGAN STANLEY VENTURE PARTNERS III,
L.P.

By: Morgan Stanley Venture Partners III, L.L.C.,
as General Partner

By: Morgan Stanley Venture Capital III, Inc.,
as Institutional Managing Member of the
General Partner

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

MORGAN STANLEY VENTURE INVESTORS III,
L.P.

By: Morgan Stanley Venture Partners III, L.L.C.,
as General Partner

By: Morgan Stanley Venture Capital III, Inc.,
as Institutional Managing Member of the
General Partner

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

THE MORGAN STANLEY VENTURE PARTNERS
ENTREPRENEUR FUND, L.P.

By: Morgan Stanley Venture Partners III, L.L.C.,
as General Partner

By: Morgan Stanley Venture Capital III, Inc.,
as Institutional Managing Member of the
General Partner

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

JOINT FILING AGREEMENT

In accordance with Rule 13d-1(k) under the Securities Exchange Act of 1934, as amended, each of the persons named below agrees to the joint filing of a Statement on Schedule 13G (including amendments thereto) with respect to the common stock, no par value per share, of Healthstream, Inc., a Tennessee corporation, and further agrees that this Joint Filing Agreement be included as an exhibit to such filings provided that, as contemplated by Section 13d-1(k)(1)(ii), no person shall be responsible for the completeness or accuracy of the information concerning the other persons making the filing, unless such person knows or has reason to believe that such information is inaccurate.

In evidence thereof, the undersigned, being duly authorized, hereby execute this Agreement this January 26, 2001.

This Schedule may be executed in two or more counterparts, any one of which need not contain the signature of more than one party, but all such parties taken together will constitute part of this Schedule.

MORGAN STANLEY DEAN WITTER & CO.

By: /s/ Peter Vogelsang

Name: Peter Vogelsang
Title: Authorized Signatory

MORGAN STANLEY VENTURE CAPITAL III, INC.

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

MORGAN STANLEY VENTURE PARTNERS III, L.L.C.
By: Morgan Stanley Venture Capital III, Inc.,
as Institutional Managing Member

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

MORGAN STANLEY VENTURE PARTNERS III, L.P.
By: Morgan Stanley Venture Partners III, L.L.C.,
as General Partner

By: Morgan Stanley Venture Capital III, Inc.,
as Institutional Managing Member of the
General Partner

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

MORGAN STANLEY VENTURE INVESTORS III, L.P.
By: Morgan Stanley Venture Partners III, L.L.C.,
as General Partner

By: Morgan Stanley Venture Capital III, Inc.,
as Institutional Managing Member of the
General Partner

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer

THE MORGAN STANLEY VENTURE PARTNERS ENTREPRENEUR
FUND, L.P.

By: Morgan Stanley Venture Partners III, L.L.C.,
as General Partner

By: Morgan Stanley Venture Capital III, Inc.,
as Institutional Managing Member of the
General Partner

By: /s/ Debra Abramovitz

Name: Debra Abramovitz
Title: Vice President and Treasurer