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Baptist Health Care, Pioneer in Patient Centered Care, Adopts HealthStream's Comprehensive Talent Management Solution

NASHVILLE, Tenn.--(BUSINESS WIRE)-- HealthStream, Inc. (NASDAQ: HSTM), a leading provider of talent management and research solutions for healthcare organizations, today announced that Pensacola, Florida-based Baptist Health Care has entered into a five-year agreement to utilize HealthStream's comprehensive talent management solution for their 7,500 employees. The agreement was signed in conjunction with the transaction announced earlier today where HealthStream acquired Baptist Leadership Group, a consulting practice owned by Baptist Health Care.

"We are excited that Baptist Health Care has adopted our comprehensive talent management platform," said Robert A. Frist, Jr., Chief Executive Officer, HealthStream. "Our new collaboration provides an opportunity for Baptist to pilot outcomes-driven, next generation talent management solutions to enhance the patient experience, improve workforce knowledge of safety practices, and reduce the cost of compliance."

HealthStream's innovative talent management solution is provided with an underpinning of unique applications designed specifically for healthcare organizations. Baptist Health Care will use three SaaS-based applications: (1) a healthcare workflow-intuitive learning management application to develop their workforce — the HealthStream Learning CenterTM; (2) an interactive competency assessment & management application to accelerate and manage competencies — the HealthStream Competency CenterTM; and (3) a usementric application to automate performance appraisals and drive organizational productivity — the HealthStream Performance CenterTM. Integrated in one, enterprise talent management platforn application to develop their workforce and achieve specific business and clinical outcomes.

Baptist Health Care is widely regarded as a progressive leader in the healthcare industry, having received numerous accolades in recent years, including the highly-respected Malcolm Baldrige National Quality Award. Their commitment to their workforce is well known, as evidenced most recently by their recognition in *Training Magazine's* 2013 ranking of Baptist Health Care at #39 out of the top 125 corporate institutions in the U.S. for team training and people development.

"Service excellence has long been the hallmark of Baptist Health Care—as provided by our world class employees. HealthStream's comprehensive talent management solution will support us in this commitment to our patients and communities, making them an outstanding partner for Baptist Health Care," said Brian Matson, Senior Vice President & Chief Strategy & Business Development Officer, Baptist Health Care. "We look forward to working collaboratively with HealthStream in a similar manner that we have historically worked with Baptist Leadership Group. We are excited about the opportunities that we can address together with the continued use of our organization's Living Laboratory to road-test new innovations."

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 software-as-a-service (SaaS) solutions are used by, collectively, approximately 3.3 million healthcare employees in the U.S. for training & learning management, talent management, performance assessment, and managing simulation-based education programs. Our research solutions provide valuable insight to healthcare providers to meet HCAHPS requirements, engage their workforce, and enhance physician alignment. Based in Nashville, Tennessee, HealthStream has additional offices in Laurel, Maryland, Austin, Texas, and Brentwood, Tennessee. For more information, visit http://www.healthstream.com or call 800-933-9293.

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. 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. Investors are cautioned that such results or events predicted in these statements may differ materially from actual future events or results. The Company's preliminary financial results, while presented with numerical specificity, are forward-looking statements which are based on a variety of assumptions regarding the Company's operating performance that may not be realized, and which are subject to significant uncertainties and potential contingencies associated with the Company's financial and accounting procedures and other matters referenced from time to time in the Company's filings with the Securities and Exchange Commission. Consequently, such forward-looking information should not be regarded as a representation or warranty by the Company that such projections will be realized.

HealthStream, Inc.

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