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HealthStream Launches Nurse Residency Pathway™, an Innovative Approach to Improve Nurse Onboarding

New solution for Nurse Residency Programs builds confidence and competence of newly hired recent nurse graduates, improving retention and readiness for practice

NASHVILLE, Tenn.--(BUSINESS WIRE)-- HealthStream, Inc. (NASDAQ: HSTM), a leading provider of workforce, patient experience, and provider solutions for the healthcare industry, today announced the launch of its new nurse residency solution for hospitals, "Nurse Residency Pathway." This solution is a structured, yet flexible, 12-month blended-learning program that closes the academic-to-practice gap, optimizing safe, quality care and nurse retention rates. This new program is being launched today to the healthcare industry after having achieved formal validation through its initial pilot phase.

As an early adopter, CHRISTUS Southeast Texas Saint Elizabeth Hospital experienced significant success with the Nurse Residency Pathway solution. "For recent nursing school graduates entering the workforce, the first year presents the greatest opportunity to develop their confidence and broader clinical competence. For these purposes, we are certainly blessed with HealthStream as we are now giving new nursing associates an outstanding residency learning platform. The Nurse Residency Pathway is demonstrating a best practice in understanding not only the competence, but the confidence of our new nurses; and designing a unique pathway for their first year of employment. We are looking forward to our continued learning journey as we grow this most valuable program," said Paul Guidroz, MSN, RN, Chief Nursing Executive, CHRISTUS Southeast Texas Health System.

As Mr. Guidroz explained, building both the competence and confidence of newly hired nurses is important. After completing the 12-month residency program at one of his hospitals, new nurses reported a 52 percent increase in their confidence levels. New nurses' confidence is a particularly important factor in the early stages of their careers. Approximately 160,000 newly graduated nurses enter the workplace each year and, currently, the turnover rates for them are 25 percent and 34 percent in their first and second year, respectively. Given that the average cost of replacing each nurse is now approximately \$85,000 for hospitals, the need for an impactful Nurse Residency Program has never been greater. During the pilot phase, we have seen a reduction in turnover by as much as 12 percent.

HealthStream's Nurse Residency Pathway is thoughtfully aligned to industry best practices. Its uniqueness in the marketplace is derived through its:

- 1 **Nurse Residency Performance Benchmarks™** (NRPB) - Includes 24/7 access to individual and cohort-based performance insights through initial and periodic assessments of knowledge attainment, skills, clinical judgment, and confidence levels. Exclusively from HealthStream is the inclusion of national benchmarks, providing leaders with key perspectives about their program's impact.
- 1 **Proprietary Competency Dictionary™**— Used as the foundation to identify and address gaps in learning, develop and validate skills, and support application of knowledge through critical thinking for both generalist nurses and those hired into clinical specialty areas.
- 1 **Nurse Confidence Survey™** - The industry's only tool of its kind that focuses solely on nursing confidence across multiple domains of practice and professional role.
- 1 **World-Class Blended Learning Curriculum**— Leverages evidence-based content from leading associations and publishers, such as the Association of periOperative Registered Nurses (AORN) and the Academy of Medical-Surgical Nurses (AMSN). The 12-month pathway progresses residents from novice to advanced beginner, using multiple modalities, such as online learning and mobile checklists, live facilitation guides, interactive virtual environments, and support of high fidelity simulation.
- 1 **Reflective Practice**—Recommended reflective practice activities, accessible through a mobile community site that also fosters peer networking, as well as includes discussion boards, document sharing, schedules, and announcements.

The Nurse Residency Pathway solution is sufficiently flexible to accommodate diverse needs among hospitals. Organizations may choose to re-brand and localize the Pathway to ensure a unique experience for their nurse residents with the support of our Pathway coaches. We have already seen some hospitals use this program as evidence for its Magnet® re-designation effort. Also, one hospital that chose to use our Nurse Residency Pathway solution achieved accreditation for their Nurse Residency Program from the American Nurses Credentialing Center (ANCC) Practice Transition Accreditation

Program (PTAP). HealthStream is honored to help organizations meet the criteria for this prestigious designation through the implementation of our Nurse Residency Pathway solution.

"Nurses are the largest segment of hospitals' staff and ensuring their competence to practice, confidence to perform, and retention for the long-term has never been more imperative to our national network of hospital customers," said Robert A. Frist, Jr., Chief Executive Officer, HealthStream. "I believe our new Nurse Residency Pathway is the perfect response to these needs—as we've already seen from our customers that have adopted it. We plan to add new simulation-based technologies to our menu of options for clinical assessment and skills validation—and will announce those as they become available."

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, collectively, approximately 4.65 million healthcare employees in the U.S. for workforce development, training & learning management, talent management, credentialing, privileging, provider enrollment, performance assessment, and managing simulation-based education programs. Our research solutions provide valuable insight to healthcare providers to meet HCAHPS requirements, improve the patient experience, engage their workforce, and enhance physician alignment. Based in Nashville, Tennessee, HealthStream has additional offices in Brentwood, Tennessee; Jericho, New York; Boulder, Colorado; Chicago, Illinois; Columbia, Maryland, and San Diego, California. For more information, visit <http://www.healthstream.com> or call 800-933-9293.

This press release includes certain forward-looking statements (statements other than solely with respect to historical fact), including statements regarding expectations for the financial performance for 2018, that involve risks and uncertainties regarding HealthStream. These statements are based upon management's beliefs, as well as assumptions made by and data currently available to management. 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, performance, or achievements to be materially different from future results, performance, or achievements expressed or implied by the forward-looking statements, including, without limitation, as the result of risks referenced in the Company's Annual Report on Form 10-K and in the Company's other filings with the Securities and Exchange Commission. Consequently, such forward-looking information should not be regarded as a representation or warranty or statement by the Company that such projections will be realized. Many of the factors that will determine the Company's future results are beyond the ability of the Company to control or predict. 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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