

## FISCAL SPONSORSHIP AGREEMENT

This Fiscal Sponsorship Agreement (“Agreement”), dated as of date signed by last party (“Effective Date”), is between PeaceHealth, a Washington non-profit corporation (“PeaceHealth”) and San Juan County Public Hospital District #3 doing business as Orcas Island Health Care District as state-defined under [RCW 70.44](#) (“Project Director”).

### Recitals

- A. PeaceHealth is a tax-exempt public organization under Section 501(c)(3) of the Internal Revenue Code (“IRC”).
- B. Project Director is a special purpose district operating in San Juan County that exists to protect and improve community health as authorized in RCW 70.44 and is pursuing the Project (as defined in **Exhibit A**).
- C. PeaceHealth desires to support Project Director’s activities for the Project by making a grant (“Grant”) based on the terms in this Agreement, including the grant plan (“Grant Plan”) attached as **Exhibit A**. As a part of this grant plan, please describe and disclose all funding from PeaceHealth for the project.

### Agreement

- 1. **Grant to Project Director.**
  - 1.1 PeaceHealth will make the Grant to Project Director in the amount and in accordance with the schedule set out in the Grant Plan.
  - 1.2 Project Director will use the Grant solely for the purpose set out in the Grant Plan.
  - 1.3 The grant period or term (“Grant Period”) is set out in the Grant Plan.
- 2. **Contact; Reports; Records.**
  - 2.1 PeaceHealth and Project Director will each appoint an individual to act as principal contact person for notices and other communications under this Agreement. The initial appointees are identified in the Grant Plan. Either party may change its contact person at any time by written notice to the other party.
  - 2.2 Project Director will provide PeaceHealth with reports as set out in the Grant Plan
  - 2.3 Project Director will maintain a detailed project budget and records in a manner that will provide PeaceHealth with sufficient detail to review Project Director’s receipts and expenditures relating to the Grant. Project Director will make such records available for review by PeaceHealth upon reasonable notice during the Grant Period and until the final report is submitted.
- 3. **Recognition; Publicity; Intellectual Property.** Either party may announce and publicize the Grant in recognition of PeaceHealth’s support or Project Director’s efforts. All formal media releases, communications and announcements need to be made in coordination with the PeaceHealth Communications Team. PeaceHealth and Project Director may each disclose the other party’s name and amount of the Grant in internal and external communications, including without limitation, on its website and in its outreach materials, and as may otherwise be required by law.

Neither party will make any other public communications related to the Grant without the prior written consent of the other party. Each party will comply with any trademark guidelines that the other party may provide with respect to the other party's marks. Intellectual property developed by Project Director under this Grant and materials developed, purchased or acquired with funds provided under this Grant will be owned by Project Director.

4. **Grant Administration.**

- 4.1 Project Director agrees to provide PeaceHealth with a W-9 (Request for Taxpayer Identification Number and Certification form). PeaceHealth may withhold any Grant amount until the W-9 is received.
- 4.2 Project Director will submit an invoice for the Grant based on the terms in the Grant Plan. PeaceHealth will pay the invoice amount within thirty (45) days of receipt. If Project Director has failed to meet the reporting requirements listed in the Grant Plan, PeaceHealth may withhold payment for any invoice during that reporting period until such reports are provided. If such reports are not provided within sixty (60) days, PeaceHealth may terminate this Agreement immediately and will no longer be obligated to pay any outstanding Grant amount.
- 4.3 Project Director will submit a current copy of Proof of Insurance with coverage of at least \$1,000,000 per occurrence and \$3,000,000 of general liability coverage.
- 4.4 If at any time PeaceHealth determines that the Grant is not being used in accordance with the Grant Plan, PeaceHealth may choose to withhold any remaining Grant amount and may terminate this Agreement immediately.
- 4.5 Project Director will manage the Grant funds in accordance with applicable law, the provisions of this Agreement, and Project Director's internal policies. Project Director may combine the Grant with Project Director's other assets for investment purposes, provided that the Grant is still only spent on the Project and Project Director retains the capabilities to produce the required reports pursuant to the Grant Plan.
- 4.6 If the Grant is restricted to a particular program or purpose for any reason, Project Director will notify PeaceHealth if Project Director determines in good faith that, because of factual or other changes in circumstances, it is no longer possible for the Grant to serve its original purposes. In that case, and in cases where a portion of the Grant remains unspent or unallocated upon completion of the Project, Project Director will work with PeaceHealth to determine the best use for the remaining Grant and PeaceHealth may at its sole discretion request any unspent Grant be returned or shifted to a new plan or program. If the Grant is shifted to a new plan or program, the terms of this Agreement shall still apply.

5. **Compliance.** If Project Director is a tax-exempt public charity under Section 501(c)(3) of the IRC, Project Director will promptly notify PeaceHealth of any changes in such status. Project Director will comply with all IRC provisions applicable to Project Director as a tax-exempt organization. It is the intent of the parties to comply with the Anti-Kickback Statute (42 U.S.C. §1320a-7b(b)) at all times. Therefore, Project Director understands and agrees that it is not required to refer patients to PeaceHealth facilities, and any Grant funds provided hereunder are not contingent upon patient referral volumes in anyway.

6. **Indemnification.** Project Director will indemnify and hold harmless PeaceHealth from and against any claims, losses, or damages arising from or in connection to the Project, Grant, or any negligent or willful misconduct by Project Director. This obligation will survive the termination or expiration of this Agreement.

7. **General.**

7.1 Entire Agreement. This Agreement together with the Grant Plan expresses the final, complete and exclusive agreement between PeaceHealth and Project Director and supersedes any prior or contemporaneous written or oral agreements or course of dealing between PeaceHealth and Project Director relating to its subject matter. The provisions of this Agreement are severable so that if any provision is found invalid, illegal or unenforceable, such finding will not affect the validity, construction or enforceability of any remaining provisions.

7.2 Amendment; Benefit. This Agreement may be amended only as set forth in writing and signed by both parties. This Agreement is for the exclusive benefit of PeaceHealth and Project Director, and not for the benefit of any third party, including without limitations, any employee or volunteer of Project Director.

7.3 Governing Law. This Agreement will be governed by Washington law, excluding its conflict of laws rules, and any such claim based on this Agreement will be brought in a Washington state court in Clark County, or the United States District Court for the Western District of Washington.

7.4 Counterparts. This Agreement may be executed in one or more counterparts, each of which will be deemed an original and all of which taken together will be deemed to be one instrument. Transmission by fax or PDF of executed counterparts constitutes effective delivery.

7.5 Relationship of Parties. The parties are and will remain independent contractors and nothing herein will be construed to create a partnership, agency or joint venture between the parties. Each will be responsible for wages, hours and conditions of employment of its respective personnel during the term of this Agreement.

7.6 Health Equity Partner Commitment. The Project Director has received the PeaceHealth Joint Commitment to Health Equity statement, attached hereto as Exhibit B, and expresses its dedication to ensuring that the project reflects these priorities in the way it will be implemented, evaluated and sustained.

[Signature page follows]

This Agreement was signed by PeaceHealth and Project Director as of the date stated in the first paragraph.

PEACEHEALTH	
_____	_____
Charles Prosper Chief Executive- Northwest Network	Date Signed

PROJECT DIRECTOR Orcas Island Health Care District	
_____	_____
Chris Chord District Superintendent San Juan County Public Hospital District #3	Date Signed

**EXHIBIT A**  
**GRANT PLAN**

**1. Terms of Grant**

Total Grant Amount: USD \$10,000

Grant Period: The Grant Plan is expected to be completed by June 30, 2027.

Project Director will invoice PeaceHealth for the Grant between the dates listed below and for the following amounts:

Invoice Amount	Invoice Time Period
\$5,000	June 2026 (FY26)
\$5,000	August 2026 (FY27)

Payment Account: Payment to be issued to Project Director via check according to payment schedule listed above.

**2. Use of Grant**

Project: The Community Health Network of the San Juans is a countywide initiative that brings community organizations together to collaborate on shared health priorities. The Network operates three technical workgroups focused on Care Coordination, Insurance Access/Navigation, and Transportation. Partners from all three islands collaborate to map existing services, identify care gaps, and design coordinated local interventions. This funding will support the continuation of the Network's operational infrastructure and project development beyond September 2026.

Use of grant is outlined in more details in **Exhibit C: Community Health Funding Request Proposal**.

**PROJECT DIRECTOR UNDERSTANDS AND AGREES THAT GRANT FUNDS MAY ONLY BE USED ON THE PROJECT UNDER THE TERMS OF THIS AGREEMENT.**

**3. Reporting Requirements**

Project Director agrees to provide updates to PeaceHealth on any substantial Project related matters or milestones. Project Director agrees to provide monthly agreed upon project metric and also a yearend report. Details can be found below.

**Monthly Metric Reporting:** Each month, Project Director will report agreed upon metric(s) to PeaceHealth by no later than the 10th day following the end of the month (ex: Month of February report would be due on March 10<sup>th</sup>). The minimum metric required unless otherwise agreed upon is the number of individuals served by the project.

**Year End Report:** At the end of the contract (contract end date) and if a multi-year project an annual report in addition to an end of contract report needs to be provided. Project Director will send a report to PeaceHealth detailing the summary of the project including the following sections:

- **Progress and planning section** detailing activities accomplished and the project status including plans for continuation or wrap up post contract.
- **Financial section** detailing how funds were utilized, additional funds raised, sustainability planning and if any funds remain.
- **Other details** you would like to share with PeaceHealth about the project

#### 4. Other Terms

Upon Contract Execution, Project Director will send PeaceHealth the following documents:

- Proof of Insurance (\$1M Per Occurrence/At least \$2M General Liability)
- Current W-9
- Invoice in the amount following the payment chart in **Exhibit A: Grant Plan**.

#### 5. Principal Contact Information

**PeaceHealth Contact Information:**

Rachel Lucy, PeaceHealth NW Network-Director of Community Health  
2901 Squaticum Parkway, Bellingham, WA, 98225

Email: [Rlucy@peacehealth.org](mailto:Rlucy@peacehealth.org)

Phone: (360) 788-6819

**Project Director Contact Information:**

Organization: Community Health Network of the San Juans, Public Hospital District #3  
410 Prune Alley Unit B

Contact Person: Trillium Swanson  
Network Facilitator / Project Manager

**Phone:** 206-818-4120

**Email:** [trilliums@orcashealth.org](mailto:trilliums@orcashealth.org)

**EXHIBIT B**  
**Health Equity Partner Commitment**

## **Our Joint Commitment to Health Equity**

PeaceHealth is committed to our Mission: We carry on the healing Mission of Jesus Christ by promoting personal and community health, relieving pain, and suffering, and treating each person in a loving and caring way. We are driven by our belief that good health, prevention, and community well-being are fundamental rights. We support health justice for all and are called to be in service to communities most impacted by health disparities.

We support collaborations that improve community health for all. We recognize that health outcomes are often driven by social factors, such as access to food or housing, the health of the environment, or economic well-being. Structural injustice, especially systemic racism, is woven into the fabric of community life.

As partners, we commit to treat all community members justly and respectfully, providing equitable access to all opportunities and resources. We commit to identifying and changing structures that perpetuate injustice and with the aim of eliminating healthcare disparities.

In partnership, we prioritize:

- Listening and elevating the voices of those who have experienced marginalization and/or discrimination in a way that honors both their strengths and expressed needs.
- Inquiring to deeply understand how structural inequities, especially systemic racism, and injustice have shaped the community health needs we seek to address.
- Acting as leaders in community by fostering awareness of and accountability for eliminating racial inequities that are found in every system — and notably in healthcare.

*\*We will disperse community benefit funds justly and equitably to community partners that have also demonstrated a commitment to this vision of health justice. We are not alone in this work. We are working in collaboration with individuals, organizations, and systems to seed real change in practice, policy and systems that will lead to more equitable health for all. We see the opportunity for this change in every facet of our work and in every collaboration. We commit to be the change. It starts with us.*

**EXHIBIT C**  
**COMMUNITY HEALTH FUNDING REQUEST PROPOSAL**

**Organization:** Community Health Network of the San Juans.  
**Program:** Access to Health Care Initiative  
**Contact Person:** Trillium Swanson, Network Facilitator / Project Manager  
**Phone / Email:** 206-818-4120 [trilliums@orcashealth.org](mailto:trilliums@orcashealth.org)

**1. Briefly describe your project in 3-5 sentences.**

The Community Health Network of the San Juans is a countywide initiative that brings community organizations together to collaborate on shared health priorities. Funded initially by the North Sound Accountable Communities of Health (ACH), the Network operates three technical workgroups focused on Care Coordination, Insurance Access/Navigation, and Transportation. Partners from all three islands collaborate to map existing services, identify care gaps, and design coordinated local interventions. This funding request will support the continuation of the Network's operational infrastructure and project development beyond September 2026.

**2. What Community Health Improvement focus area(s) will this project help to address?**

The Network directly supports the **Care** and **Hope** focus areas through its active technical workgroups. The Transportation Workgroup is focused on improving regional connectivity to off-island care, expanding access to visiting services across all life stages, and enhancing connectivity between health systems to smooth referral pathways for islanders across the county. The Care Coordination Workgroup is supporting the launch of Mobile Integrated Health (MIH) pilot programs on Orcas and Lopez islands, with the goal of strengthening connections between these new programs and the established in-home services program on San Juan Island.

The Care Coordination Workgroup's Community Health Worker (CHW) coordination strategy supports goals pertaining to the focus area of Hope by pursuing long-term sustainability for Community Health Worker (CHW) programs across all three islands. These programs play a frontline role in care coordination — screening vulnerable residents for behavioral health and substance use needs, navigating them to resources, and making warm hand-offs to local support systems.

All of the work carried out within Network workgroups is derived from and aligns with San Juan County's Community Health Assessment, and likewise aligns with regional Accountable Communities of Health priorities.

**3. Project Details/Narrative**

**a. Who will your project serve?**

The project serves residents across the San Juan Islands who face chronic barriers to healthcare access. The population includes homebound individuals, mobility-challenged residents, and historically underserved groups navigating complex systems.

The Network's Steering Committee includes the three island community resource centers, the primary points of contact for low-income, immigrant, and underserved residents on each island, ensuring equity concerns are embedded in governance from the start. All projects must pass a

four-question equity test before proceeding, including whether the project reaches low-income, elderly, Indigenous, immigrant, or limited-English residents — or needs adjustment to do so.

The plan directly incorporates community voices by building upon data from San Juan County's Community Health Assessment. Additionally, the Network established its priorities during an inaugural convening in April 2026, where approximately 75 community members, providers, and local residents spent the day in structured conversations to identify access barriers. Workgroup members include community members who work in diverse environments across the spectrum of social services— people who are embedded in the communities most affected by barriers to care.

**b. Are you partnering with other community serving organizations as a part of this project?**

Collaboration across sectors and islands is the central mechanism of the Network. Key partners participating in the steering committee and technical workgroups include:

- **Public Entities:** San Juan County Council, SJC Health & Community Services, SJC Human Services, SJC Senior Services, Lopez Island Health Care District, San Juan Island Hospital District.
- **Emergency & Clinical Services:** Orcas Island Fire & Rescue, Lopez Fire/EMS, Island Hospital, PeaceHealth, Sea Mar Lopez, local private homecare providers and care managers, and local primary care clinics.
- **Social Services:** Orcas Community Resource Center, Joyce Sobel Family Resource Center, Lopez Island Family Resource Center, Coalition for Orcas Youth, Steps, and Island Rides.
- **Philanthropy:** Orcas Island Community Foundation and San Juan Island Community Foundation.

These groups meet monthly within action-oriented workgroups to coordinate resources and work under a shared set of goals and priorities. Additionally, the Network serves a general networking function via county-wide gatherings of cross-sector health partners, held in person and with hybrid virtual components.

**c. How will you measure success and what outcome measures will you share with PeaceHealth?**

The Network tracks progress through specific operational and systemic milestones. A sample of some short and mid-term success measures include:

- **Insurance Access:** Completion of a countywide data-gathering framework evaluating payer mixes and clinic models across all three islands to identify access gaps.
- **Transportation:** Development of a medevac public education guide and a cross-island transit inventory mapped to medical scheduling needs, with success measured by a documented increase in airlift membership enrollment across the three islands.
- **Care Coordination—Mobile Integrated Health (MIH):** Near-term success measures include formal execution of the Orcas MIH interlocal agreement and deployment of the Lopez community needs survey. Longer term, the project will track program-specific impact markers as defined by each island's scope of work — including indicators such as reduction in ER visits and increased referrals to primary care and resource centers.
- **Care Coordination—CHW Infrastructure:** Near-term success measures include

delivery of a bilingual annual training calendar and execution of at least one collaborative cross-island grant application by fall 2026. Longer term, the project will track individual-level impact through indicators such as the number of residents screened for behavioral health and substance use needs, and the number of successful warm hand-offs and resource navigations completed by CHWs across the three islands.

Individuals reached by Network activities will also be tracked through monthly workgroup meeting and activity participation, as well as attendance at quarterly countywide convenings.

We recognize the development of new cross-sector partnerships as a key process outcome. Beyond formal agreements like MOUs, our network fosters essential trust between organizations. While these relational shifts are qualitative, they are vital precursors to organic, long-term successes such as streamlined referral networks and joint community projects.

**d. Business planning and sustainability:**

The Network is currently funded by a grant from the North Sound Accountable Communities of Health (ACH), which is held and administered by the Orcas Island Health Care District. This initial funding covers dedicated project management, consultation fees associated with logo development and webpage building, meeting logistics, and training for the project manager role through September 2026.

Long-term sustainability relies on transitioning from standalone grant reliance to a diversified model. By pooling resources, the Network plans to apply for larger, local, state or federal grants. The group is also interested in approaching health care districts on each island for a commitment of yearly funds to support Network project management.

**e. Have you sought other funding sources or plan to?**

Yes. The Network is actively seeking local community investment to maintain operations past September 2026. Potential long-term avenues being explored include federal Health Resources and Services Administration (HRSA) rural health grants, North Sound Accountable Communities of Health, local foundation grants, and ongoing investment in the project by the health care/hospital districts on each island.

**4. Health Equity**

The Network is designed to target structural inequities caused by geographic isolation. Critically, the Network's priorities are not externally imposed — they are rooted in the community itself. Each workgroup's focus areas derive directly from the San Juan County Community Health Assessment, ensuring that the work targets inequities that residents and local stakeholders have identified as most pressing. These priorities are then carried forward by the community-based organizations, providers and community members who serve island residents every day. Further, the Network is committed to ongoing dialogue with community members who are directly impacted by the services being developed. Advisory committees — such as the LGBTQ+ advisory committee currently informing services-navigation projects — ensure that the voices of those most affected remain active and central throughout the life of each initiative. This structure — in which those closest to the community both define the problems and lead the solutions — is central to the Network's approach to achieving durable, meaningful change.