



**City of Cold Lake's Proposed Municipally Controlled Corporation  
Cold Lake Primary Care Medical Clinic Ltd.**

**FACT SHEET**

The City of Cold Lake is taking steps to establish a Municipally Controlled Corporation (MCC) that will own and operate a primary care medical clinic. This will allow the City of Cold Lake to take active steps in achieving its goals for healthcare in the community. These goals have been a priority for the City of Cold Lake since 2006.

The following is intended to provide answers to the most frequently asked questions, along with resources where people can find more detailed information on this initiative.

**What is a Municipally Controlled Corporation (MCC)?**

- An MCC is a for-profit corporation that is controlled by a municipality or group of municipalities for the purposes of providing a regional municipal service or facility.
- MCCs are regulated by the Municipal Government Act, Business Corporations Act, Control of Corporations Regulation, and the Debt Limit Regulation.
- The Municipal Government Act (MGA) allows a municipality, by itself or with other municipalities, to establish and control, or obtain control of, a corporation subject to the terms of Section 75.1(1) of the MGA.
- An MCC is incorporated under the Business Corporations Act and exists as a separate legal entity from its founding municipality or municipalities, governed by its shareholder or shareholders.
- With the MCC being regulated under the Business Corporations Act, the MCC must be registered with the Province of Alberta's Corporate Registry Office (referred to as Service Alberta).

**What will the City of Cold Lake's proposed MCC do?**

- The MCC will be establishing a corporation referred to as the "Cold Lake Primary Care Medical Clinic."
- The MCC will own and operate clinic space where physicians may practice their medical services. The clinic will provide physicians with:
  - Cohort Medical Examination Rooms
  - Medical Examination Equipment
  - Medical Office Assistant Services
  - Reception and Appointment Services
  - Hosting of Electronic Medical Record Services

- Patient Document Management
- The MCC will be tasked with operating the clinic space, staffing the clinic, and recruiting physicians who would like to establish a practice in the community.
- The MCC will also be tooled to provide additional value-added services, including client billing and collection activities on a fee-for-service basis.

**Who owns the MCC and how is it controlled?**

- The City of Cold Lake will be the sole shareholder of the MCC referred to as the “Cold Lake Primary Care Medical Clinic.” The MCC must operate with the context of an “unanimous shareholder agreement.”
- The MCC will have a Board of Directors that will consist of five (5) individuals.
- The Board of Directors will be appointed by Cold Lake City Council and will consist of two (2) elected officials (for oversight) and three (3) members at large. The Board of Directors will be screened to ensure diverse backgrounds and skills including those in legal and financial services, executive leadership, governance, business, community service, and community development.
- City Council will appoint City of Cold Lake’s Chief Administrative Officer, Kevin Nagoya, as an interim Chief Administrative Officer for the MCC. He will report to the Board of Directors once it has been established.
- The MCC is required to provide annual audited financial statements to City Council.

**Is the MCC a for-profit company? Where do profits go?**

- An MCC may operate as a for-profit company. It will operate under the Business Corporations Act and Control of Corporations Regulation, similar to other private businesses.
- The Board of Directors will decide how profits are handled.
- Profits can be reinvested back into the clinic, directed towards other healthcare initiatives in the community, invested in financial instruments, saved as cash for future use, or returned to the company’s shareholder or shareholders as dividends.

**Why is Cold Lake setting up an MCC?**

- Since 2006, availability of doctors has been a top priority for the City of Cold Lake.
- The City has invested significant tax payer funding into recruitment and retention efforts over the years, but all efforts seem to maintain the existing number of physicians rather than increase the total number of physicians in the community. There are various reasons why including, but not limited to, work place environmental factors, compensation structures, and turf protection. The best interest of patients often seems to be lost amongst several competing and overarching concerns and priorities found throughout the healthcare system, and the political environment which surrounds it.
- By owning and operating a medical clinic, the MCC will have direct influence in recruitment efforts and can be more proactive in recruiting physicians who are interested in establishing family practices or providing other under-serviced medical care in the community.
- Data collected during the City’s 2022 municipal census showed that 40% of residents do not

have a family doctor, while an additional 8% of residents have a family doctor outside of the community.

- While about half (48%) of residents have a family doctor in the community, 46% of them said it would take, on average, three weeks or more to get an appointment.

#### **How will the Medical Clinic owned by the MCC differ from others?**

- Medical clinics are typically owned by all or some of the medical practitioners that are providing the services within the medical clinic. These may be seen by the public in various shapes, size, and models - including Primary Care Networks (PCN).
- Most medical clinics in the province currently exist as private companies, and most physicians in the province with family practices operate through their own corporations that either have ownership in a clinic, or rents space in an existing clinic.
- The MCC, which is private business, is not a medical practitioner itself and so it will retain through contract a designated medical director or directors to comply with the necessary legislation and regulations including but not limited to The College of Physicians & Surgeons of Alberta's "Standard of Practice," which regulates the industry.
- Clinics charge doctors for value-added services such as reception, appointment tacking, book keeping, record keeping and space to operate their practice. While physicians, in turn, bill their clients, with insurable services going through the Alberta Health Care Insurance Plan.

#### **How can I learn more about the MCC and its plans?**

- A full copy of the draft business plan for the MCC can be found at on the City of Cold Lake's website at the following link:

[www.coldlake.com/PlansReportsStudies](http://www.coldlake.com/PlansReportsStudies) (under the "Council" section).

#### **How can I provide feedback, raise concerns and/or express my support for the City's proposed MCC?**

- A Statutory Public Hearing is being held as part of the process to establish the MCC. The hearing will take place on January 24, 2023, at 6:00 p.m. in Council Chambers.
- If you cannot attend the Statutory Public Hearing, however, you still wish to include feedback, raise concerns and/or express support for the City's proposed MCC, communication can be submitted to [communications@coldlake.com](mailto:communications@coldlake.com).
- Letters can be mailed to:

City Hall  
5513-48 Avenue  
Cold Lake, Alberta  
T9M-1A1

- The City of Cold Lake's elected officials are available to speak to residents about this or other matters. Contact information be found at [www.coldlake.com/council](http://www.coldlake.com/council).