


Subject: **Proposed Medical Clinic Rent Stabilization Program**  
 Meeting Date: Tuesday, July 23, 2024  
 Prepared By: Mike Haugen, CAO  
 Presented By: Mike Haugen, CAO

**STRATEGIC PLAN ALIGNMENT: (Check all that apply)**

	<input type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>		<input type="checkbox"/>
High Quality Infrastructure		Economic Resilience		Quality of Life		Effective Leadership		Level of Service	

**RELEVANT LEGISLATION:**

Provincial (cite)- N/A

Council Bylaw/Policy (cite)- N/A

**BACKGROUND/PROPOSAL:**

The CEOs and CAOs representing Kneehill County and the five urban municipalities of Three Hills, Trochu, Acme, Carbon, and Linden have had several meetings regarding the sustainability of physician services in the region. At various times, local physicians have also participated.

Through discussion, it is recommended that the municipalities partner to provide a three (3) year rent stabilization program for the Kneehill Medical Clinic. This program would see the participating municipalities contribute a total of \$90,000.00 annually to cover the Clinic’s base rent, thus easing the financial overhead of the Clinic’s physicians.

Based on a negotiated formula of 70% population and 30% assessment, the contribution of each partner is displayed in the following chart:

	<u>Population 70%</u>	<u>Assessment 30%</u>	<u>Total</u>
<b>Acme</b>	\$3,658	\$648	\$4,306
<b>Kneehill</b>	\$29,665	\$21,142	\$50,807
<b>Linden</b>	\$4,509	\$858	\$5,368
<b>Three Hills</b>	\$19,143	\$3,447	\$22,589
<b>Trochu</b>	\$6,025	\$905	\$6,930

Contribution amounts would remain fixed for the duration of the pilot program.

The proposed agreement, including objectives and details of the program, is attached. Specific goals of the program include:

- A measured increase in the number and longevity of physicians working at the Clinic.
- A cumulative increase in patient panel by 1000 patients.
- Continued physician staffing of ER and hospital operations.



**DISCUSSION/OPTIONS/BENEFITS/DISADVANTAGES/OTHER CONSIDERATIONS:**

The group's overall goal has been to facilitate medical services in the region with the specific intent of ensuring the sustainability of the Three Hills Hospital. The hospital is critical for the region from the perspectives of quality of life and economic development. It is expected that by helping the Kneehill Medical Clinic, physician operations in the hospital will also be helped by attracting additional physicians.

The regional group feels this program will provide a unique advantage that the Kneehill Medical Clinic can utilize to attract additional physicians and serve more patients. This program would replace the current incentive program offered to new physicians from now on (current outstanding incentive obligations will still need to be funded).

An annual review of the program is proposed to gauge its operation and effectiveness at regular intervals.

The member municipalities opted to confirm their participation in the program before approaching the Kneehill Medical Clinic with the offer. Since that time, the Clinic has reviewed the proposed agreement and indicated that they would like to move forward.

**FINANCIAL & STAFFING IMPLICATIONS:**

Each municipality would be responsible for their share of the program as depicted in chart above. This would amount would be included in future Operating Budgets.

Council could fund the 2024 prorated amount of approximately \$21,170 from Strategic Initiatives and include future year's funding in the core Operating Budget. This would utilize almost all remaining funding from this line item.

**RECOMMENDED ENGAGEMENT:**

Directive Decision (Information Sharing, One-Way Communication)

Tools:	Individual Notification	Other:	
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**ATTACHMENTS:**

Kneehill Medical Clinic Rent Stabilization Pilot Program Agreement

**COUNCIL OPTIONS:**

1. Council may opt to participate in the program
2. Council may opt to decline participation in the program
3. Council may opt to seek alterations to the program

**RECOMMENDED MOTION:**

That Council approve the Kneehill Medical Clinic Rent Stabilization Pilot Program Agreement and authorize the Mayor and Chief Administrative Officer to sign said agreement.

**FOLLOW-UP ACTIONS:**

Administration will inform the other municipalities of Council's decision.

**APPROVAL(S):**

Mike Haugen, Chief Administrative Officer

Approved-

