Present
Abel Torres, MD, JD, MD, President
Kenneth J. Tomecki, MD, Vice President
Henry W. Lim, MD, President-Elect
Brian Berman, MD, Vice President-Elect
Mark Lebwohl, MD, Immediate Past President
Barbara M. Mathes, MD, Secretary-Treasurer
Marta J. Van Beek, MD, MPH, Assistant Secretary-Treasurer
Erin Boh, MD, PhD
Kimberly J. Butterwick, MD
Linda Stein Gold, MD
Neil S. Sadick, MD
Terrence A. Cronin, Jr., MD
Neal D. Bhatia, MD
Robert T. Brodell, MD
Marc D. Brown, MD
Kevin D. Cooper, MD
Sheila Fallon Friedlander, MD
Jane M. Grant-Kels, MD
Janet G. Hickman, MD
Julie A. Hodge, MD, MPH
George J. Hruza, MD
Mark D. Kaufmann, MD
Paul A. Storrs, MD
Gary S. Wood, MD
Sabrina Newman, MD, Young Physicians Board Observer
Faranak Kamangar, MD, Residents/Fellows Board Observer

Not Present:
Vinod K. Sharma, MD, International Board Observer

Speakers / Guests
Sabra Sullivan, MD, PhD, Chair Council on Government Affairs, Health Policy and Practice
Mary E. Maloney, MD
David M. Pariser, MD, Chair, Dermatology Care Team Implementation Workgroup
Tia Sawhney, Healthcare Consultant and Actuary, Milliman

Staff
Elaine Weiss, JD, Executive Director and CEO
Robert M. Portman, JD, General Counsel
Barbara Greenan, Sr. Director, Government Affairs
Cindy Kuhn Sr., Director, Membership Engagement
Diane Simmons, MPA, RN, CAE, Sr., Director, Education
Krista D. Kauper, Sr. Director, Constituent Relations & Strategic Planning
Melanie Tolley Hall, Sr. Director, Integrated Communications
Nancy Ali, Sr. Director, Community, Corporate & Philanthropic Relations
Sarah Tancredi, MBA, PHR, Managing Director, Administration
Stephanie Peditto, Sr. Director, Quality Improvement & Data Collection
Steve Debnar, Chief Financial Officer
Beth Laws, Director, Advocacy and Policy Operations
CALL TO ORDER
Abel Torres, MD, President and presiding, called the meeting of the Board of Directors of the American Academy of Dermatology to order at 7:38 AM (CDT) on Saturday, May 21, 2016. Dr. Torres welcomed the Board members, observers and guests.

QUORUM
Barbara M. Mathes, MD, Secretary-Treasurer declared that a quorum was present for the transaction of business.

ORDER OF BUSINESS/INTRODUCTORY MATTERS
Antitrust Compliance Policy, Fiduciary Obligations, and Note Taking
Dr. Torres referred the Board members to the background materials regarding the AAD/A Antitrust Compliance Policy and note taking during meetings and reminded them about the importance of following their fiduciary obligations, including maintaining confidentiality and declaring conflicts of interest.

Disclosure of Conflicts of Interest and Code of Conduct
The Board members’ disclosures of potential conflicts of interest and code of conduct were circulated. Dr. Mathes asked Board members to update their disclosures and to declare any other actual or potential conflicts of interest with respect to specific agenda items for this meeting. None were declared.

Separate Order of Business
Mr. Portman reminded the Board members that they would follow the American Institute of Parliamentarians Standard Code of Parliamentary Procedure (formerly Sturgis Code of Parliamentary Procedure), and that it is essential that the Academy follow the order of business and observe corporate formalities necessary to ensure the separateness of the two organizations.

Review and Approval of Academy Board of Directors Board Minutes and Executive Committee Email Ballot
Dr. Mathes presented the minutes of the March 7, 2016 Board meeting and the Executive Committee email ballot of April 6, 2016.

A motion was made and duly seconded to approve the Board minutes of the March 7, 2016 Board meeting and the Executive Committee email ballot of April 6, 2016.

ACTION: Approved
OFFICER AND DIRECTORS REPORTS

President’s Report

Dr. Torres noted that the Board would be updating several administrative regulations and governance policies at this meeting to implement the recently-approved bylaws amendment expanding the Fellow category of membership to include physicians certified by the American Osteopathic Board of Dermatology. He also reported that he sent a letter to the more than 400 osteopathic dermatologists (DO) members affected by this bylaws change, congratulating them on becoming fellows and providing them with information on how they can use the Fellow logo.

Dr. Torres next reported on the Food and Drug Administration’s (FDA) proposed indoor tanning regulation, which precludes tanning by persons under 18 and requires indoor tanning facilities to inform adult users about the health risks of indoor tanning and to obtain a signed risk acknowledgement from these users. He noted that the vast majority of public comments on the proposed rule were submitted by physicians, most of whom were AADA members. The AADA also drove nearly 200 physician letters to Congress asking them to sign on to a letter encouraging the FDA to finalize the proposed rule.

Dr. Torres then reported the AAD joint statement with the American Board of Dermatology (ABD) on changes in the Maintenance of Certification (MOC) program designed to make it less onerous, costly and time consuming was sent to AAD members on May 11, 2016. AAD also issued a frequently asked questions (FAQ) document to help members better understand the changes. Neither AAD nor ABD has received many complaints about the communications.

Dr. Torres concluded by summarizing his travel on behalf of AAD/A since the Annual Meeting to attend state and local dermatology meetings around the country, as well as upcoming meetings.

Secretary-Treasurer’s Report


She first noted that the 2015 end of year (EOY) surplus was $1.2 million, well above budget, but below the 2016 surplus of $3 million.

Dr. Mathes then discussed the first quarter financial report. She described various revenue and expense line items, highlighting on the very positive results from the Annual Meeting in Washington, DC, which produced a surplus of $14.8 million. At 18,512, attendance for that meeting was much higher than expected. She noted that the first quarter surplus of $11.5 million is misleading because many large expenses from the Annual Meeting have yet to be paid.

Dr. Mathes next reported that the Reserve Income Fund (RIF) had an estimated shortage of $2.3 million as of the end of the first quarter. AAD’s audit firm has noted that a formal transfer of funds would not be necessary as long as the funds were available elsewhere in the General Operating Fund (GOF), Strategic Reserve Fund (SRF), or the Endowment Fund. Dr. Mathes also reported that the unallocated SRF balance was only $194,981 and the Endowment Fund was $10.4 million at the end of the first quarter. She also reported on the performance of AAD/A’s investments.

Dr. Mathes noted that the budget process for 2017 was underway and described the next steps in that process.

ACTION: Approved

Administrative Regulation on Nominating Committee - Composition
Dr. Mathes stated at the March 7, 2016 Board meeting, it requested to have the Administrative Regulation on Nominating Committee – Composition updated to codify the Board and Advisory Board’s election processes to select candidates for the Nominating Committee.

A motion was made and duly seconded to approve the Nominating Committee – Composition Administrative Regulation.

ACTION: Approved by required 2/3 majority vote

Administrative Regulation on Advisory Board Resolutions
Dr. Mathes stated the Administrative Regulation on Advisory Board Resolutions had been updated to reflect the membership’s approval of the proposed AAD and AADA bylaws amendments on the timing for Board of Directors action on Advisory Board resolutions. She stated that the edit reflects that the Board now has to take action within two meetings after receiving an Advisory Board resolution.

A motion was made and duly seconded to approve the edits to the Advisory Board Resolutions Administrative Regulation.

Resolutions properly approved by the Advisory Board shall be presented to the Board of Directors for action within two Board meetings of such Advisory Board vote, at its next regularly scheduled meeting, following the close of the Academy/Association Annual Meeting, Summer Meeting or other member meeting. At that meeting, the Board may….

ACTION: Approved by required 2/3 majority vote

AAD Bylaws: Article VII. Section 4. (b)
Dr. Mathes stated that the recently-enacted amendment to the bylaws provision for filling vacancies in the office of President-elect contained a scrivener’s error of omission. According to legal counsel, adding the word “-elect” in two places were non-substantive edits to fix the scrivener errors in the bylaws amendment language did not require membership vote.

Article VII. Section 4. - Vacancies
(b) In the event of a vacancy in the office of President-elect, the Vice President shall carry out the functions of the President-elect until the conclusion of the next annual membership meeting if the Vice President meets the requirements under these bylaws and the administrative regulations of the Academy for the office of President-elect, but the Vice President shall not automatically succeed to the office of President. Prior to that meeting, an additional election for the office of President shall be conducted in accordance with the procedure for nomination and election of the President-elect set forth in Section 2 of this Article. If insufficient time is available for the complete Nominating Committee and election procedure, the Board of Directors may authorize expedited action and may, if appropriate, authorize an election as soon as practicable after the annual meeting. If the Vice President does not meet the requirements under these bylaws and the administrative regulations of the Academy for the office of President-elect, the next officer or director in the line of succession to the President under the Academy’s administrative regulations and who meets the requirements under these bylaws and the administrative regulations of the Academy for the
office of President-elect shall carry out the functions of the President-elect until the next annual membership meeting or a new election for President-elect can be conducted as set forth above, whichever is sooner.

A motion was made and duly seconded to approve the changes to Article VII. Section 4. (b).

**ACTION:** Approved by required 2/3 majority vote

**Administrative Regulation on Line of Succession to the Office of President/President-Elect**

Dr. Mathes stated that the Administrative Regulation on the Line of Succession to the Office of President has been updated to align with our bylaws and reflect the line of succession in the event of a temporary absence, inability to act or vacancy in the Office of President.

A motion was made and seconded to approve the Administrative Regulation on Line of Succession to the Office of President/President-elect as presented.

**ACTION:** Approved by required 2/3 majority vote

**Governance Policy on Young Physician Observer**

Dr. Mathes stated that the edits to the Governance Policy on Young Physician Observer were made to remove the Affiliate category which previously was where the osteopath’s membership category resided.

A motion was made and duly seconded to approve the Young Physician Observer Policy with revisions to reflect adoption of bylaws amendment to include board-certified DOs as Fellows.

1. A Fellow or, Associate, or Affiliate (DO) member of the American Academy of Dermatology in good standing.

**ACTION:** Approved

**Governance Policy on “Fellow” Logo, and Vision Statement, and FAAD Designation Usage**

Dr. Mathes stated this edit updates the definition of a Fellow to include osteopaths.

A motion was made and duly seconded to approve the housekeeping change to the definition of “Fellows” in the footnote of this policy.

1 Fellows of the American Academy of Dermatology, as well as Life and Honorary members who were formerly in this category, are permitted use of the AAD “Fellow” logo and FAAD designation. Fellow members are defined as U.S. and Canadian dermatologists certified by the American Board of Dermatology or the Royal College of Physicians and Surgeons of Canada, any physician in good standing who has been certified by the American Board of Dermatology, the American Osteopathic Board of Dermatology or in dermatology by the Royal College of Physician and Surgeons of Canada shall be eligible to be a Fellow.

**ACTION:** Approved

**Governance Policy on Awards**

Dr. Mathes presented the housekeeping edit initiated by Arnold P. Gold Foundation which the AAD collaborates with annually to select a nominee for the Arnold P. Gold Humanism in Medicine Award. This annual award is given to a practicing AAD member dermatologist who exemplifies compassionate, patient-centered care. The Foundation notified the AAD of a change to the
award program that affects the language in the AAD Awards Policy. The Foundation will continue to award $1,000 to the award recipient but will no longer provide travel-related reimbursement, so the reimbursement language has been deleted.

A motion was made and duly seconded to approve the following edits to the Awards Policy.

IV. Recognition

The recipient will be given a monetary award of $1,000 and will be honored at the Academy’s recognition reception during the Annual Meeting. In addition, expenses for the winner to attend the Annual Meeting, including airfare and accommodations, will be reimbursed up to $2,000. The winner also will be recognized in Dermatology World, on the Academy website and in other media where award-winners are covered.

ACTION: Approved

AAD Bylaws: Article VII. Section 4. (a)

Dr. Mathes stated while reviewing the newly-approved bylaws language, legal counsel noted that this section of the bylaws needed to be amended to clarify that the President-elect fills a vacancy in the office of President if the Vice President does not meet the requirements for that position, including divesting direct financial relationships as required by the AAD Code for Interactions with Companies. She stated that if the Board approved the proposed edit, it would be sent to the Bylaws Committee for evaluation and will come back to the August Board meeting with its recommendation.

A motion was made and duly seconded to approve the proposed change to Article VII, Section 4. (a) and send it to the Bylaws Committee for evaluation.

(a) In the event of a vacancy in the office of President, the Vice President shall succeed to the office of President and serve as President until the next annual membership meeting, if the Vice President meets the requirements under these bylaws and the administrative regulations of the Academy for the office of President. If the Vice President does not meet the requirements under these bylaws and the administrative regulations of the Academy for the office of President, the President-elect shall carry out the functions of the President until the next annual membership meeting and then for the full term for which he or she would otherwise have served upon the normal expiration of his or her term as President-Elect.

ACTION: Approved by required 2/3 majority vote

Executive Director Report

Ms. Weiss referred the Board to her written report and highlighted the following items:

- The Annual Meeting in Washington, DC was a great success from a financial, educational, and fundraising standpoint. Planning for the 2017 meeting in Orlando is already underway.
- AAD/A had a busy two months since the Annual Meeting, including issuing the joint AAD/ABD Joint Statement on Maintenance of Certification (MOC), responding to the MACRA regulations that were just issued, dealing with difficult AAD/A election issues, working on the Burden of Skin Disease report, and conducting the Leadership Forum on April 15-17, which provided three concurrent tracks of leadership development programs for newer dermatologists, mid-career dermatologists and Academy leaders.
- The budget process is underway and will culminate in the fall with the meeting of the Budget Committee and Board review and approval at its November meeting.
Several important activities that will be occurring over the next several months, including the Academy Summer Meeting, the Legislative Conference in September, and the State Society Leadership Conference.

The MOC question of the week, which was introduced earlier in the year, continues to be a very popular online membership benefit, with over 5000 members opting to receive the weekly question and nearly 20,000 members participating overall.

AAD received tremendous media exposure from its Melanoma Monday activities and related public relations efforts, including a 41% increase in traffic on www.aad.org. The Academy continues to expand its social media presence and to make its website more user-friendly for the public.

The Academy’s skin cancer education efforts continue to be focused on young women and men over 50. AAD also issued a press release on a new study on use of sunscreens showing that men over 50 are not aware of the risks of tanning. The same day, Consumer Reports issued a report with new data challenging SPF claims on sunscreen labels. AAD Communications staff responded to multiple media requests on this data.

AAD Communications staff recently provided media relations support for a JAMA Dermatology study on telemedicine, which was authored by Jack Resneck Jr., MD and arose from the efforts of the Academy’s Telemedicine Task Force. The study had fake patients submit six dermatologic cases with photographs, including neoplastic, inflammatory and infectious conditions, to regional and national direct-to-consumer telemedicine websites and smartphone apps offering services to California residents. The results showed numerous problems with the quality of care provided by these telemedicine sites.

AAD partnered with Amazon between May 1 and August 31, 2016 to promote skin cancer prevention and detection to the public through the Amazon website. The AAD’s messages will be highlighted in their Beauty Store and will reach over 20 million visitors each month.

AAD issued new public service announcements on skin cancer prevention targeting young women and men over 50. They are available on the AAD website and YouTube.

Dr. Lim then discussed AAD’s work with the FDA on UV filters.

International Board Observer
Dr. Torres stated that Dr. Sharma could not attend today’s meeting and referred the Board to his written report for information only.

Young Physicians Board Observer Report
Dr. Sabrina Newman referred the Board to her written report for information only. She discussed the Young Physicians Committee’s recent activities and its recommendation that a spot for a young physician be reserved on all standing councils, committees, and task forces with exceptions to be specified by the Organizational Structure Committee (OSC). The OSC’s action on this recommendation was tabled until the July Board meeting due to time constraints.

Residents/Fellows Observer Report
Dr. Faranak Kamangar referred the Board to her written report for information only. She discussed the recent activities of the Residents/Fellows Committee, including the first annual resident challenge to raise funds for Camp Discovery (it raised $12,000; enough to send 6 kids to camp), the roll out of the new student loan affinity program at the Annual meeting, and a new onboarding program for Graduate Student Members to transition to Fellow membership.

A motion was made and duly seconded to approve the observer reports for information only.

ACTION: Approved
AAD STRATEGIC DISCUSSION
Dermatology Care Team Implementation Work Group

Position Statement on the Practice of Dermatology: Protecting and Preserving Patient Safety and Quality Care

Dr. David Pariser presented the Dermatology Care Team Implementation Work Group report. He stated that the Work Group’s edits to the Position Statement on the Practice of Dermatology: Protecting and Preserving Patient Safety and Quality Care continue to state that the optimum degree of dermatologic care is when a dermatologist provides direct, on-site supervision to all non-dermatologist personnel, but it also recognizes that the efficient utilization of a non-physician clinician will, at times, involve off-site supervision. He further explained that the Work Group was recommending changes in the Position Statement because the current language on requiring on-site physician supervision of nurse practitioners, physician assistants, and other physician extenders (PEs) at all times was too restrictive and was precluding the Academy from exercising a leadership position in developing relationships with and becoming the primary educational provider for physician extenders. It was also creating a significant barrier to participation by PEs in the new DermCare Team affiliation category. He also stated that AAD’s member survey on this issue indicated that a significant percentage of members are allowing their PEs to provide services when the member is not on-site.

The Work Group recommended that the Board revise the position statement to allow supervision by electronic communication. The Board engaged in an extensive discussion of the issue. Several Board members expressed support for the change but wanted to ensure that the Position Statement continued to state that on-site supervision of PEs was the strongly preferred mode of practice and that members be warned about the liability risk of allowing PEs to practice in an unsupervised setting. Several Board members expressed concerns about PEs providing significant dermatology services without on-site physician supervision, including some PEs who practice without any physician supervision. They indicated that AAD needs a plan for dealing with these outliers. They asked the Work Group to develop educational materials to address these concerns.

The Board then discussed the specific changes to the proposed revised Position Statement. They noted that the statement sometimes referred to “dermatologists” and sometimes to “board-certified dermatologists.” The Board directed that “dermatologist” as used in the statement be defined at the outset as a “board-certified dermatologist.” This would ensure consistent meaning of the term throughout the statement.

They also directed that Position Statement be edited as follows:

Lines 97-98
“. . . commensurate with the level of supervision defined by state regulation…” be changed to “. . . commensurate with the level of supervision defined by the state board of medical examiners or other appropriate state board/agency. . . ”

Line 107
“. . . dermatologist who is always available

Line 108
“. . . teledermatology or by some other means” be changed to “by electronic means”

A motion was made and duly seconded to approve the revisions to the Position Statement on the Practice of Dermatology: Protecting and Preserving Patient Safety and Quality Care as presented and with the additional edits directed by the Board.

ACTION: Approved
Council on Community, Corporate & Philanthropic Relations
Dr. Mary Maloney presented her report on the Community Outreach Program “Maternity Ward Education Program” for information only. She noted that the Council was looking for feedback from the Board on the concept of providing brand new mothers with sun protection kits while they are still in the hospital. The Board discussed the costs and benefits of this proposal and potential options for partnering with industry to fund the program. Staff indicated that based on preliminary discussions, industry would only be willing to partially fund this effort.

A motion was made and duly seconded to further investigate this proposal and provide a more concrete proposal with estimated cost to the Academy.

A friendly amendment was made and accepted that the proposal be investigated further and provide a more concrete proposal which had no cost to the AAD.

ACTION: Approved

AAD UNFINISHED BUSINESS

Ad Hoc Nominating Committee
Dr. Brodell stated that the Ad Hoc Nominating Committee proposed the following two candidates to the Board for election to serve as a Board representative on the Nominating Committee. This year the candidates were from the West / Northwest Region. The nominees were:

Phoebe Rich, MD, FAAD
Margaret E. Parsons, MD, FAAD

The vote was conducted by written ballot. Dr. Mathes announced that the new Board representative on the Nominating Committee was Dr. Rich.

AAD NEW BUSINESS

Summary of Ohio Compounding Rules
Dr. Torres noted that Ohio’s compounding rules define “Dangerous Drug” so broadly so that it includes many commonly used dermatologic drugs and thus subjects them to onerous compounding rules. He stated that the Ohio Dermatology Association (ODA) and the AADA met with the Ohio Board of Pharmacy (OBP) staff on Wednesday, May 11, 2016 about this issue. The OBP agreed to accept the ODA/AADA written comments outlining their concerns and will post additional guidance that will hopefully address those concerns following the OBP’s June 6 meeting.

Council on Science and Research
Position Statement on Electronic Surface Brachytherapy for Basal Cell Carcinoma (BCC) and Squamous Cell Carcinomas (SCC)
Dr. Julie Hodge reminded the Board that in November 2015, the Academy received a letter from Elekta, Inc. requesting a revision to the AAD Electronic Surface Brachytherapy (EBx) Position Statement to address a point within the statement Elekta did not believe was currently accurate:

Electronic surface brachytherapy should not be administered by a dermatologist, per current manufacturer’s recommendations.

She noted that the Elekta letter stated that their high dose rate EBx device (Esteya)—approved for use in the United States as of September 26, 2013—has no labeling or regulatory statement/recommendation from the Food and Drug Administration (FDA) that would exclude or limit the role of dermatologists in using the device.
Dr. Hodge referred the Board to the Current EBx Devices and Regulatory Considerations in the Board materials. She stated that given the current market and regulatory landscape, the Council recommended removal of the statement in question without replacement. This revision would accomplish the following:

- address the inaccuracy in the position statement regarding manufacturer recommendations for dermatologist provision of Ebx; and
- allow for dermatologists to potentially provide EBx within the scope of practice as allowed by state regulatory environments, and in consideration of the other points raised in the position statement.

A motion was made and duly seconded to approve the revised position statement on Electronic Surface Brachytherapy for Basal Cell Carcinoma (BCC) and Squamous Cell Carcinomas (SCC).

**ACTION: Approved**

**Council on Education and Maintenance of Certification**

*Named Lectureship Recipients – Confidential*

Dr. Mathes presented the Named Lectureship Recipients and stated they were selected from a slate of candidates based on the award’s specified criteria. The following recipients were selected and deemed the most qualified.

- Carrie L. Kovarik, MD as the recipient of the 2017 Clarence S. Livingood, MD Award and Lectureship
- Joel M. Gelfand, MD as the recipient of the 2017 Marion B. Sulzberger, MD Memorial Award and Lectureship
- Boris C. Bastian, MD, PhD as the recipient of the 2017 Lila Gruber Memorial Cancer Research Award and Lectureship
- Christine Leaute-Labreze, MD as the recipient of the 2017 Eugene J. Van Scott Award for Innovative Therapy of the Skin and Phillip Frost Lectureship Lecture

A motion was made and duly seconded to approve Carrie L. Kovarik, MD as the recipient of the 2017 Clarence S. Livingood, MD Award and Lectureship, and recommend that her lecture be on Telemedicine and the Future of Medicine; Joel M. Gelfand, MD as the recipient of the 2017 Marion B. Sulzberger, MD Memorial Award and Lectureship, and recommend that his lecture be on Psoriasis; Boris C. Bastian, MD, PhD as the recipient of the 2017 Lila Gruber Memorial Cancer Research Award and Lectureship, and recommend that his lecture be on How Moles Become Cancer; and Christine Leaute-Labreze, MD as the recipient of the 2017 Eugene J. Van Scott Award for Innovative Therapy of the Skin and Phillip Frost Lectureship Lecture

**ACTION: Approved**

**Advisory Board**

*Advisory Board Organizational and Operational Guidelines*

**Article I: Mission and Authority**

Dr. Cronin reported that the changes to lines 22-38 of the Advisory Board Organizational and Operational Guidelines were to clarify that the Advisory Board is a vehicle for connecting the grassroots with the AAD leadership.

A motion was made and duly seconded to approve the following edit to the Advisory Board Organizational and Operational Guidelines. (lines 22-38)
The Advisory Board is a committee of the AAD/A Board of Directors, and as such, operates under the auspices of the AAD/A Board of Directors in accordance with the AAD/A Bylaws and Administrative Regulations.

The mission of the Advisory Board is to protect, promote, and preserve the interests of the individual practitioner of dermatology by providing a forum for AAD/A members to present policy proposals for consideration by the AAD/A Board of Directors:

1. Providing a forum for AAD/A members to present policy proposals for consideration by the AAD/A Board of Directors;
2. Serving as a conduit of information between the AAD/A Advisory Board, the represented societies and the AAD/A Board of Directors; and
3. Disseminating information on AAD/A policies and other issues vital to AAD/A members’ patients and practices.

ACTION: Approved

Article III: Representatives and Elections
Section 3: Election Process
Dr. Cronin stated that due to unforeseen circumstances or retirement, some Advisory Board Executive Committee members may need to resign from their current position on the Advisory Board Executive Committee during the course of the year. The Advisory Board is far better served when there is a full executive committee in place. He stated that filling any vacancies by electronic ballot in the offices of the Vice Chair, Vice-Chair-elect, or Chair-elect would ensure that the Advisory Board remains under steady and active leadership.

A motion was made and duly seconded to approve the following edit to the Advisory Board Organizational and Operational Guidelines. (lines 136-145)

The election will be held at the Annual Meeting of the Advisory Board prior to the beginning of the current Chair's fourth year in office. The incumbent officers will serve for one year as Chair-Elect and Vice Chair-Elect. Upon assuming office, the newly-elected officers must relinquish their representative positions, and the constituent societies shall make a new appointment. The Advisory Board Vice Chair shall fill any vacancy in the office of Advisory Board Chair that may occur between regular elections for the duration of the unexpired term. An election shall be held, using the procedure as stated in this section, by electronic means to fill the position of Advisory Board Vice Chair for the duration of the unexpired term. Any vacancy in the office of Advisory Board Vice Chair shall be filled for the unexpired term of such vacancy by the Advisory Board Vice Chair-Elect, or if there is no Advisory Board Vice Chair-Elect, by special election of the Advisory Board conducted pursuant to the ballot procedures set forth in Article IV, Section 2. Any vacancy in the office of Advisory Board Chair-Elect shall also be filled by such special election.

ACTION: Approved

[Note that the ballot procedures in Article IV, Section 2 of the Guidelines referenced in the above motion were not approved by the Board, but are subject to further review. The Board is expected to address the proposed ballot procedures in Article IV, Section 2 at its November 5, 2016 meeting.]
Article IV: Meetings
Section 2: Actions Taken Outside the Advisory Board General Business Meeting
Dr. Cronin stated that these changes were designed, in part, to help the Advisory Board realize its vision to be an engaged, “living” body of the Academy. He reported that the Advisory Board Leadership and Executive Committee continue to work on strengthening the effectiveness of the Advisory Board. He noted that the changes to the guidelines will help the Advisory Board highlight key issues for the Board of Directors year round while strengthening the AAD/A’s ties with the state and local societies. He stated that throughout the year issues arise which require the attention of the Advisory Board. As the Advisory Board is made up of state society representatives it is privy to determining when an issue, which may have started at the state level, is affecting regional areas of the country or all state society representatives. The Advisory Board will be able to address issues with resolutions year round and bring them to the attention of the Board of Directors sooner.

A motion was made and duly seconded to approve the following edit to the Advisory Board Organizational and Operational Guidelines (lines 188-220) and send to the Bylaws Committee for consideration as a proposed bylaws amendment.

Actions Taken Outside the Advisory Board General Business Meeting
If the Advisory Board Executive Committee determines that a vote of the Advisory Board is needed outside of the Advisory Board General Business Meeting, the Advisory Board vote shall be conducted pursuant to the procedures set forth in this Article IV, Section 2. Such vote may be taken on time-sensitive resolutions or proposed amendments to these Advisory Board guidelines, or for special elections. At least seven (7) days' written notice by email of any such proposed resolution, amendment, or special election shall be given to each Advisory Board constituent society representative and other Advisory Board members eligible to vote thereon.

Resolutions/Amendments
All resolutions and guidelines amendments proposed for vote outside the Advisory Board General Business Meeting will be posted on the Advisory Board forum as they become available. All such resolutions are subject to review by the Reference Committee, as set forth in Article IV, Section 5. Thirty-three percent (33%) of the total constituent society representatives must partake in the electronic vote for it to be valid. Members can only vote to approve or not approve the resolution(s) or amendments. The voting period for any electronic ballot vote shall be at least nine (9) business days unless the Advisory Board Executive Committee determines that exigent circumstances require a shorter period, but not less than five (5) business days. Resolutions or amendments adopted by a majority vote of the members of the Advisory Board participating in the electronic vote shall be forwarded to the AAD/A Board of Directors for review and action in accordance with AAD/A Bylaws and Administrative Regulations. The Recommendations for Action forms for the resolutions and amendments must meet AAD/A established deadlines for Board material submissions.

Special Elections
If the Advisory Board Executive Committee determines that a special election is needed to fill an officer vacancy outside of the Advisory Board General Business Meeting, the Advisory Board vote shall be conducted by electronic ballot pursuant to the procedures set forth in this Article IV, Section 2. Thirty-three percent (33%) of the total constituent society representatives must partake in the electronic vote for it to be valid. Elections by electronic ballot to fill officer vacancies shall be determined by majority vote. The voting period for any electronic ballot vote shall be at least nine (9) business days unless the Advisory Board Executive Committee determines that exigent circumstances require a shorter period, but not less than five (5) business days.
The Board discussed the pros and cons about this change. Concerns were raised about the lack of criteria for bringing up resolutions and for meaningful discussion of those resolutions before they come to the Board. Several Board members thought there was a need for more study of this proposal.

**ACTION:** Defeated

A motion was made and duly seconded that the Board of Directors/Advisory Board Joint Work Group consider this issue and develop a different process for bringing Advisory Board motions to Board mid-year.

**ACTION:** Approved

**Bylaws Committee**

**Administrative Regulation on Bylaws Committee**

Dr. Bhatia stated since the annual Board meeting has moved to Monday, the process to accurately vet the names on any member petitions that would be submitted on Sunday morning during the Annual Business Meeting is difficult to accomplish. He stated that this edit allows staff the needed time to properly vet all the names on member petition(s).

A motion was made and duly seconded to approve the edits to the Administrative Regulation – Bylaws Committee.

Any amendment properly proposed by the Board or by petition of members shall be promptly submitted to the Bylaws Committee by the Secretary-Treasurer. The Bylaws Committee shall submit a report on such amendment to the Board for consideration within two by the Board meetings at its next regularly scheduled meeting or, in circumstances deemed by the Board to be exigent, at such earlier time as shall be designated by the Board.

**ACTION:** Approved by required 2/3 majority vote

**Administrative Regulation: Procedures for Proposed Amendments to the Articles of Incorporation, Bylaws or Dues Increases/Special Assessments**

Dr. Bhatia stated that the current member petition needed to be signed by a minimum of 358 voting members. He noted, while vetting the current proposed bylaws petition, it became critical, due to the difficulty in reading signatures, to be able to have the city, state and zip code to match and reference with the signer’s name. He noted that in some cases, it helped staff identify whether the signer was actually a voting member or not. In two cases, staff could still not determine the name of the signer.

A motion was made and duly seconded to approve the edits to the Administrative Regulation on Procedures for Proposed Amendments to the Articles of Incorporation, Bylaws or Dues Increases/Special Assessments.

1. **For all member-initiated proposed amendments, the following information is required and must be submitted legibly:**

   Full printed name, city, state, zip code, membership category and signature

   Only voting members’ signatures count toward the required 2.5% of signatories. Membership categories with voting rights are outlined in Article III of the AAD bylaws.
ACTION: Approved by required 2/3 majority vote

Member Petition – Proposed Bylaws Amendments on Maintenance of Certification (MOC)

Dr. Torres opened the discussion about the petition for bylaws amendment. He first noted that Drs. Sadick and Butterwick signed the petition and asked them to individually confirm whether they feel they could be objective during the Board’s discussion. They indicated that they could be objective. Dr. Cronin disclosed that he too signed the petition and was probably one of the illegible signatures.

Dr. Torres then asked the Board if there were any objections to Drs. Sadick, Butterwick and Cronin participating in the discussion, as well as voting on any motions made with respect to the member petition on the proposed bylaws amendment. There were no objections.

Dr. Bhatia then presented the Bylaws Committee recommendation on the petition. He stated that the Administrative Regulation on the Bylaws Committee requires the Committee to review each proposed bylaws amendment to determine whether the proposed amendment:

1. Is permissible under governing law;
2. Is relevant to the mission and purposes of the Academy and to the section of the bylaws or articles of incorporation that it seeks to amend;
3. Is frivolous, vexatious or interposed for an improper purpose;
4. Unreasonably conflicts with other sections of the bylaws or articles of incorporation;
5. Would create an unreasonable financial burden for the Academy; or
6. Would create an unreasonable exposure to a significant liability risk.

The purpose of bylaws is to establish the AAD/A governance structure. According to the American Institute of Parliamentarians Standard Code of Parliamentary Procedure, which the Academy follows for issues not otherwise covered in the bylaws or administrative regulations, the bylaws should not include policy statements on issues that do not relate to AAD/A internal governance. There are several other authorities on nonprofit governance that support this conclusion. Based on this information, the Committee concluded that the proposed petition presented a policy position on maintenance of certification (MOC) that had nothing to do with the internal AAD/A governance structure. In that respect, it conflicts with all the sections of the bylaws and therefore is impermissible under criteria 4 of the Bylaws Committee Administrative Regulation. The only position statements that are found in the Bylaws are those that are required by the Internal Revenue Service or that relate to AAD/A internal governance.

The Committee felt this proposed bylaws amendment set forth an important policy position on MOC, but that the bylaws were not an appropriate venue for such policy positions. Traditionally policy and position statements come forward through the Advisory Board for review and approval before moving forward to the Board of Directors. Alternatively, a member could send suggestions for positions or policy statements directly to the Board of Directors for consideration.

The Bylaws Committee unanimously voted to recommend that the Board of Directors not send this proposed bylaws amendment to the membership for the reasons stated above. It also voted to recommend that the Board have a liaison or liaisons contact Dr. Greenberg, the lead proponent of the petition for bylaws amendment, and explain the rationale for the Board’s decision and other options for presenting proposed policy positions to the Board.

After discussion, a motion was made and duly seconded to approve the Committee’s recommendation to not send the proposed bylaws amendments to the membership for vote because the bylaws are not the proper vehicle for stating policy positions relating to external matters (as opposed to internal governance issues). And, further, adopt the Committee’s recommendation to contact the lead proponent of the petition to explain the Board’s decision and
provide him with options for putting forth the petition as a policy position—i.e., through the Advisory Board or direct communication to the Board of Directors.

**ACTION:** Approved; 1 Did not approve

After further discussion, the Board directed the Member Communications Committee to develop a member communication explaining that the Board communicate that it is aware that people are still unhappy with MOC and it is continuing to work to improve the process and make it better/less onerous and costly for members. The communication should also inform the members about the change in the Administrative Regulations indicating that MOC is not required for maintaining membership as a Fellow.

**CONSENT AGENDA**

**Council on Science and Research**

_Burden of Skin Disease_  
Dr. Lim presented the Council on Science and Research Burden of Skin Disease report for information only. After describing the history and process, he noted that Council is working with Milliman to prepare the new report on the Burden of Skin Disease. They are developing a risk adjustment methodology for skin diseases that will be used to determine the prevalence and cost of skin disease by age, insurance, skin condition. He described the framework for the report and discussed the timeline—the final report should be delivered by mid-July). He noted that Milliman would provide AAD with a confidential report and one that should be shared with the public. The confidential report would compare direct costs with others found in the literature. The report will be published in the Academy section of _Journal of the American Academy of Dermatology_ (JAAD), possibly through several different articles. He thanked the Burden of Skin Disease Work Group for all of its work on this project.

**Ad Hoc Task Force on Data Collection Platform and Registries**

Dr. Van Beek presented the Ad Hoc Task Force on Data Collection Platform and Registries report for information only. She stated the AHTF had developed key governing principles for DataDerm, had 1,000 practices in various stages of signing up to participate, and was applying to become a Qualified Clinical Data Registry (QCDR), which would give AAD members an important option for participating in the Physician Quality Reporting System (PQRS) system and the new Merit-Based Incentive Payment System (MIPS) under Medicare Access & CHIP Reauthorization Act of 2015 (MACRA). She said that data quality review is a critical next step. She reported that DataDerm has developed 35 dermatology-specific measures. The focus for the rest of 2016 will be on enrolling new participants, including some academic medical centers and large health systems. She noted that as a qualified clinical data registry (QCDR), DataDerm will provide a valuable member benefit and support AAD’s research and guideline efforts and AADA’s advocacy goals with respect to physician reimbursement, funding of federal research, and other AADA priorities. DataDerm will also provide valuable information to other providers, payors, and industry.

**Consent Reports**

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<tr>
<th>Date</th>
<th>Committee/Group</th>
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<tr>
<td>March 6, 2014</td>
<td>Council on Communications</td>
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<tr>
<td>April 26, 2016</td>
<td>Council on Communications - Specialty Positioning Campaign</td>
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<td>April 15, 2016</td>
<td>Leadership Development Steering Committee</td>
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<td>March 5, 2016</td>
<td>Academy Former Presidents Committee</td>
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<td>March 5, 2016</td>
<td>State Society Development Task Force</td>
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<td>March 5, 2016</td>
<td>Joint Board of Directors / Advisory Board Reps Meeting</td>
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<td>May 21, 2016</td>
<td>Appointment Selection Committee</td>
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<td>April 14-15, 2016</td>
<td>Council on Education and Maintenance of Certification</td>
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<tr>
<td>March 6, 2016</td>
<td>Advisory Board</td>
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A motion was made and duly seconded to accept the Academy consent reports including the Council on Science and Research Burden of Skin Disease and the Ad Hoc Task Force on Data Collections Platform and Registries as presented.

**ACTION:** Approved

**Joint Psoriasis Guidelines**

Dr. Lebwohl reported that the Clinical Guidelines Committee recommended that the next Psoriasis Guidelines be created as a joint effort between the AAD and the National Psoriasis Foundation (NPF). When that proposal went to the Council on Science and Research, the Council acknowledged that the NPF is a respected organization, but was concerned that other less respected and/or familiar organizations might also want to partner on guidelines in the future. Specifically, some organizations that are heavily influenced by a single pharmaceutical company might try to influence guidelines in favor of that pharmaceutical company. For that reason, they rejected the proposal for joint guidelines with the NPF to avoid setting a precedent.

A motion was made and duly seconded that the Psoriasis Guidelines, which are long overdue because of the many new treatments available for psoriasis, be started as a joint effort with the NPF, and that the Clinical Guidelines Committee look at every proposal for joint guidelines and approve participation on a case-by-case basis. Factors like excessive influence of pharmaceutical companies or inadequate representation of the values and interests of the members of the AAD should preclude joint guidelines in certain circumstances, but the interests of patients should be considered in all guidelines.

**ACTION:** Approved

**Board Retreat**

Dr. Torres discussed the successful Board Retreat the day before. He reported that he would be establishing an Ad Hoc Task Force on governance to address issues raised at the retreat and develop recommendations for Board action to improve its governance processes.

*The AAD went into Executive Session at 12: 10 PM (CDT) to discuss confidential matters, including AAD Board of Director Minutes and AAD Executive Committee summation reports, pending and potential ethics cases, the Ad Hoc Task Force to Evaluate Headquarter Space Planning and the Compensation Committee report.*

The following actions were taken in Executive Session:

A motion was made and duly seconded to authorize the purchase and implementation of a new Board communication program called BoardEffect with a fiscal note of $12,000.

**ACTION:** Approved

A motion was made and duly seconded for the Ad Hoc Task Force to Evaluate Headquarter Space Planning to continue considering all of the options around remodeling and relocating to the Rosemont area.

**ACTION:** Approved
A motion was made and duly seconded to approve the summation reports from the Board and Executive Committee conference call meetings held in March and early April regarding the violation of election rules in the election for President-elect.

ACTION: Approved

A motion was made and duly seconded to approve the Executive Director’s incentive compensation plan.

ACTION: Approved

_The Board came out of Executive Session at 2:10 PM (CDT)._ 

**ADJOURNMENT**

There being no further business, Dr. Torres adjourned the Academy Board of Directors Meeting at 4:10 PM (CDT) on Saturday, May 21, 2016.

Respectfully Submitted,

Barbara M. Mathes, MD, FAAD
Secretary-Treasurer