



Republic of the Philippines
Supreme Court
Baguio City

SECOND DIVISION

LOADSTAR
SHIPPING, INC.,

INTERNATIONAL

G.R. No. 228470

Petitioner,

Present:

- versus -

CARPIO,* J., Chairperson,
PERALTA,
PERLAS-BERNABE,
CAGUIOA,
REYES, JR., JJ.

ERNESTO AWITEN YAMSON,
SUBSTITUTED BY HIS HEIRS
GEORGIA M. YAMSON AND THEIR
CHILDREN, NAMELY: JENNIE ANN
MEDINA YAMSON, KIMBERLY
SHEEN MEDINA YAMSON, JOSHUA
MEDINA YAMSON and ANGEL
LOUISE MEDINA YAMSON,

Promulgated:

Respondents.

23 APR 2018

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DECISION

PERALTA, J.:

Assailed in the present petition for review on *certiorari* under Rule 45 of the Rules of Court are the Decision¹ and Resolution² of the Court of Appeals (CA), promulgated on June 9, 2016 and December 1, 2016, respectively, in CA-G.R. SP Nos. 142663 and 142689. The assailed CA Decision reversed and set aside the June 25, 2015 Decision³ and August 17, 2015 Resolution⁴ of the National Labor Relations Commission (NLRC), in

* Acting Chief Justice per Special Order No. 2539 dated February 28, 2018.
¹ Penned by Associate Justice Manuel M. Barrios with Associate Justices Franchito N. Diamante and Maria Elisa Sempio Diy, concurring; Annex "C" to petition, *rollo*, pp. 79-92.
² Annex "D" to petition, *id.* at 93-95.
³ Per NLRC opinion written by Commissioner Erlinda T. Agus, with the concurrence of Presiding Commissioner Gregorio O. Bilog III and Commissioner Alan A. Ventura; Annex "L" to Petition, *id.* at 284-311.
⁴ Annex "N" to Petition, *id.* at 322-326.

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NLRC LAC No. 10-000876-14, which affirmed, with modification, the September 8, 2014 Decision⁵ of the Labor Arbiter (*LA*) in NLRC Case No. NCR (M) 03-03096-14. The Decision of the *LA* dismissed herein respondent's complaint for recovery of total and permanent disability benefits, sickness allowance, medical and transportation reimbursements, moral and exemplary damages, and attorney's fees.

The factual and procedural antecedents are as follows:

Herein petitioner is a domestic corporation engaged in the shipping business. On May 7, 2012, petitioner employed the services of herein respondent Ernesto Yamson (*Ernesto*) as Third Mate aboard the vessel "M/V Foxhound" for a period of twelve (12) months, with a basic monthly salary of US\$582.00, as evidenced by his Employment Contract.⁶ On May 9, 2012 Ernesto commenced his employment on board "M/V Foxhound". His contract was subsequently extended.

On November 15, 2013, the vessel anchored at Paia Inlet, Papua New Guinea and started to load logs. On November 19, 2013, Ernesto, while performing his regular tasks on an extremely hot day, felt dizzy. In the evening of the same day, Ernesto started to feel the left side of his body getting numb. Around 9 o'clock of the following morning, Ernesto already felt very weak while performing his duties. He requested that his blood pressure be checked and that his condition be reported to the ship captain. Thereafter, he was ordered to rest in his cabin. However, his condition deteriorated as he could no longer move the left side of his body in the evening of the same day. His predicament worsened when he suffered from LBM the next day forcing him to request that he be brought to the hospital. Ernesto was, thus, brought to the Pacific International Hospital in Papua New Guinea where he was confined and was diagnosed to have suffered from cerebrovascular disease: "left cerebellar infarct" and hypertension, Stage 2. The attending physician ordered him to cease from working for a period of two (2) weeks.⁷ Subsequently, on December 1, 2013, Ernesto was repatriated to the Philippines. Upon arrival in Manila, he was immediately brought to the Philippine General Hospital where he underwent medical check-up. Finding that he was in a stable condition, the examining doctor sent him home as he was classified as an "out-patient." However, Ernesto continued to experience headache and numbness of the entire left side of his body even after arriving home. This prompted his wife to insist that he be admitted in a private hospital. Thus, on December 4, 2013, Ernesto was admitted at the Manila Doctor's Hospital where he underwent CT scans of

⁵ Penned by Labor Arbiter Fe S. Cellan, Annex "I" to Petition, *id.* at 217-230.

⁶ *Rollo*, p. 136.

⁷ See Medical Certificate, *id.* at 137.



the head and heart. In his letter addressed to petitioner, the company-designated physician reported that the result of the CT scan conducted on Ernesto showed, among others, that he has an “old infarct in the left superior aspect of the left cerebellum.”⁸ On December 13, 2013, Ernesto was discharged from the hospital. Subsequently, he consulted another physician who diagnosed him to be suffering from Hypertensive Atherosclerotic Cardiovascular Disease and Cerebrovascular Disease and was advised to cease from working as a seaman due to his neurologic deficits.⁹

On the basis of the findings of his own doctor, Ernesto, on March 14, 2014, filed the above-mentioned complaint praying that he be awarded the following: US\$60,000.00 as total and permanent disability benefits; sickness allowance equivalent to 120 days; medical and transportation expenses in the amount of ₱62,514.64; ₱100,000.00 as moral damages; ₱100,000.00 as exemplary damages; and, 10% of the total judgment award as attorney's fees.¹⁰

Thereafter, the parties filed their respective Position Papers¹¹ and Replies.¹²

On September 8, 2014, the LA rendered a Decision in petitioner's favor by dismissing the complaint for lack of merit.

Respondent appealed the Decision of the LA to the NLRC.

On June 25, 2015, the NLRC promulgated its Decision and disposed as follows:

WHEREFORE, the instant appeal is PARTLY GRANTED. The assailed Decision dated September 8, 2014 is hereby AFFIRMED with MODIFICATION in that respondent Loadstar International Shipping Inc. is ordered to pay complainant the following:

1. Sickness allowance in the amount of US\$2,328.00
2. Medical and transportation expenses in the amount of ₱31,738.18.

⁸ *Rollo*, p. 115.

⁹ See Medical Certificate, *id.* at 142.

¹⁰ See Complainant's Position Paper, Annex “F” to Petition, *id.* at 132.

¹¹ See Annexes “E” and “F,” *id.* at 96-110 and 117-135.

¹² See Annexes “G” and “H,” *id.* at 189-203 and 204-216.

All other claims are DISMISSED for lack of merit.

SO ORDERED.¹³

Feeling aggrieved, both petitioner and Ernesto filed with the CA separate special civil actions for *certiorari* under Rule 65 of the Rules of Court questioning the above Decision of the NLRC.

On June 9, 2016, the CA rendered its assailed Decision with the following dispositive portion:

WHEREFORE, premises considered, the petition of Loadstar International Shipping Inc. in CA-G.R. S.P. No. 142689 is **DENIED** for lack of merit. The petition of Yamson in CA-GR SP No. 142663 is **GRANTED**. The Decision dated 25 June 2015 and Resolution dated 17 August 2015 of the NLRC are **REVERSED** and **SET ASIDE**.

We order Loadstar International Shipping Inc. to pay Ernesto Awiten Yamson total and permanent disability benefits in the amount of US\$60,000.00 plus ten percent (10%) thereof as attorney's fees, in Philippine currency, at the prevailing rate of exchange at the time of payment.

SO ORDERED.¹⁴

Petitioner filed a Motion for Reconsideration, but the CA denied it *via* its Resolution of December 1, 2016.

Hence, the present petition for review on *certiorari* based on the following grounds:

I
THE COURT OF APPEALS RESOLVED A QUESTION OF SUBSTANCE IN A WAY NOT IN ACCORDANCE WITH LAW AND APPLICABLE DECISIONS OF THIS HONORABLE COURT IN GRANTING THE PETITION FOR CERTIORARI FILED BY RESPONDENT YAMSON AND IN THE PROCESS AWARDED US\$60,000.00 REPRESENTING TOTAL AND PERMANENT DISABILITY BENEFITS CONSIDERING THAT:

- A. YAMSON DID NOT SUFFER A ISCHEMIC NOR HEMORRHAGIC STROKE WHILE IN THE EMPLOY OF LOADSTAR INTERNATIONAL SHIPPING, INC.

THE WEAKNESS IN THE LEFT SIDE OF YAMSON'S BODY FOR WHICH HE WAS

¹³ Rollo, p. 310.

¹⁴ *Id.* at 91. (Emphasis in the original)


REPATRIATED WAS CAUSED BY ISCHEMIA OR REDUCED BLOOD FLOW TO THE BRAIN AND THIS ISCHEMIA WAS CAUSED BY HIS ATHEROMATOUS BASAL VESSEL DISEASE OR A NARROWING OF HIS ARTERIES.

THIS IS CONFIRMED BY THE CT SCANS CONDUCTED BOTH BY THE PACIFIC INTERNATIONAL HOSPITAL IN PORT MORESBY, PAPUA NEW GUINEA AND THE MANILA DOCTOR'S HOSPITAL IN MANILA.

- B. THE HONORABLE COURT OF APPEALS ENGAGED IN SPECULATIONS WHEN IT RULED THAT "IT IS POSSIBLE THAT THE INFARCT WAS CAUSED BY THE CEREBRAL ACCIDENT ON NOVEMBER 13, 2013".

THE CT SCAN CLEARLY PROVED THAT THERE WAS NO CEREBRAL EVENT OR ACCIDENT ON THE SAID DATE.

THE USE OF THE PHRASE "IT IS POSSIBLE" IS A CLEAR INDICATION OF "SPECULATION".

- C. THE QUESTION OF WHETHER YAMSON SUFFERED A STROKE OR NOT WHILE WORKING ON BOARD THE VESSEL OF PETITIONER, IS A QUESTION OF FACT WHICH IS NOT THE PROPER SUBJECT OF A PETITION FOR CERTIORARI BEFORE THE COURT OF APPEALS.
- D. REALITIES ON BOARD M/V FOXHOUND MILITATES AGAINST THE HONORABLE COURT OF APPEALS' FINDINGS THAT THE NATURE OF YAMSON'S EMPLOYMENT AS A THIRD OFFICER HAS REGULARLY EXPOSED HIM TO STRESS, LACK OF SLEEP AND OTHER SIMILAR HAZARDS WHICH LED HIM TO HAVE A STROKE THAT THE CT SCAN SHOWED YAMSON DID NOT HAVE A SCHEMIC STROKE NOR HEMORRHAGIC STROKE ON NOVEMBER 13, 2013.
- E. YAMSON COMMITTED FRAUDULENT MISREPRESENTATION ABOUT HIS PAST MEDICAL CONDITION IN HIS PEME WHEN HE DID NOT DISCLOSE AND IN FACT CONCEALED FROM THE PETITIONER THAT HE HAD ALREADY INCURRED A CEREBRAL EVENT LONG BEFORE HIS PEME BEFORE BEING EMPLOYED BY LISI.
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- F. THE HONORABLE COURT OF APPEALS FAULTED DR. TEVES, THE COMPANY-DESIGNATED PHYSICIAN FOR HIS ALLEGED FAILURE TO MAKE A COMPLETE ASSESSMENT OF YAMSON'S HEALTH.

ON RECORD, IT WAS YAMSON WHO FAILED TO COMPLETE HIS POST MEDICAL EXAMINATION AFTER HIS REPATRIATION PURSUANT TO SEC. 20(A), No. 3 OF THE 2010 POEA STANDARD EMPLOYMENT CONTRACT. THIS IS MEDICAL ABANDONMENT.

THE COURT COMMITTED GRAVE ABUSE OF DISCRETION WHEN IT DISREGARDED THE FINDINGS OF THE COMPANY-DESIGNATED PHYSICIAN WHO EXAMINED YAMSON FOR NINE (9) DAYS IN FAVOR OF THE MEDICAL OPINION OF THE PRIVATE PHYSICIAN OF YAMSON WHO EXAMINED HIM ONLY FOR ONE (1) DAY ON MARCH 8, 2014.

THE COURT OF APPEALS WRONGLY CONCLUDED THAT THE ASSESSMENT MADE BY YAMSON'S PHYSICIAN MATCHED THAT OF DR. KHINE OF PACIFIC INTERNATIONAL HOSPITAL.

THE FINDINGS OF THE PRIVATE PHYSICIAN WAS DISCARDED BY THE NLRC.

- G. YAMSON COMMITTED A FATAL ERROR WHEN HE PREMATURELY FILED HIS COMPLAINT WITHOUT FIRST SEEKING THE OPINION OF A THIRD PARTY DOCTOR WHICH VIOLATED THE MANDATORY CONFLICT RESOLUTION PROVISION OF SECTION 20 (3) OF THE 2010 POEA-SEC.

II

THE COURT OF APPEALS RESOLVED A QUESTION OF SUBSTANCE IN A WAY NOT IN ACCORDANCE WITH LAW AND APPLICABLE DECISIONS OF THIS HONORABLE COURT IN DENYING THE PETITION FOR CERTIORARI FILED BY PETITIONER AND IN THE PROCESS ALSO AFFIRMED THE AWARD OF SICKNESS ALLOWANCE IN THE AMOUNT OF US\$2,328.00 AND MEDICAL AND TRANSPORTATION EXPENSES IN THE AMOUNT OF P31,738.18 IN ADDITION TO THE US\$60,000.00 TOTAL AND PERMANENT TOTAL DISABILITY BENEFITS CONSIDERING THAT:

- A. YAMSON FAILED TO COMPLETE HIS POST MEDICAL EXAMINATION AFTER HIS
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REPATRIATION PURSUANT TO SEC. 20(A), No.
3 OF THE 2010 POEA STANDARD
EMPLOYMENT CONTRACT.

- B. PETITIONER LOADSTAR INTERNATIONAL SHIPPING CO., INC. CANNOT BE MADE LIABLE FOR REFUND OF RESPONDENT YAMSON'S MEDICAL EXPENSES BECAUSE THE EXPENSES DO NOT REFER TO "COST OF MEDICINES PRESCRIBED BY THE COMPANY-DESIGNATED PHYSICIAN."¹⁵

On October, 30, 2017, Ernesto's counsel filed a "Manifestation of the Death of Respondent and Motion to Substitute the Deceased Respondent with his Surviving Spouse and Children."

In a Resolution¹⁶ dated January 24, 2018, this Court noted the above Manifestation and granted the Motion to Substitute.

At the outset, it bears to point out that the merits of the present case should be resolved by taking into consideration the parties' contract as well as the prevailing law and rules at the time that Ernesto was employed. In this regard, it is settled that while the seafarer and his employer are governed by their mutual agreement, the POEA Rules and Regulations require that the POEA-Standard Employment Contract (*POEA-SEC*) be integrated with every seafarer's contract.¹⁷ In the instant case, since petitioner's employment contract was executed on May 7, 2012, it is governed by the Amended Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers On-Board Ocean-Going Ships,¹⁸ which was amended in 2010, pertinent portions of which read as follows:

SECTION 20. COMPENSATION AND BENEFITS

A. COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS

The liabilities of the employer when the seafarer suffers work-related injury or illness during the term of his contract are as follows:

1. The employer shall continue to pay the seafarer his wages during the time he is on board the ship;
2. If the injury or illness requires medical and/or dental treatment in a foreign port, the employer shall be liable for the full cost of such medical, serious dental, surgical and

¹⁵ *Id.* at 31-34.

¹⁶ *Id.* at 660-661.

¹⁷ *C.F. Sharp Crew Management, Inc. v. Legal Heirs of the late Godofredo Repiso*, 780 Phil. 645, 665-666 (2016).

¹⁸ See POEA Memorandum Circular No. 10, Series of 2010, dated October 26, 2010.

hospital treatment as well as board and lodging until the seafarer is declared fit to work or to be repatriated. However, if after repatriation, the seafarer still requires medical attention arising from said injury or illness, he shall be so provided at cost to the employer until such time he is declared fit or the degree of his disability has been established by the company-designated physician.

3. In addition to the above obligation of the employer to provide medical attention, the seafarer shall also receive sickness allowance from his employer in an amount equivalent to his basic wage computed from the time he signed off until he is declared fit to work or the degree of disability has been assessed by the company-designated physician. The period within which the seafarer shall be entitled to his sickness allowance shall not exceed 120 days. Payment of the sickness allowance shall be made on a regular basis, but not less than once a month.

The seafarer shall be entitled to reimbursement of the cost of medicines prescribed by the company-designated physician. In case treatment of the seafarer is on an out-patient basis as determined by the company-designated physician, the company shall approve the appropriate mode of transportation and accommodation. The reasonable cost of actual traveling expenses and/or accommodation shall be paid subject to liquidation and submission of official receipts and/or proof of expenses.

For this purpose, the seafarer shall submit himself to a post-employment medical examination by a company-designated physician within three working days upon his return except when he is physically incapacitated to do so, in which case, a written notice to the agency within the same period is deemed as compliance. In the course of the treatment, the seafarer shall also report regularly to the company-designated physician specifically on the dates as prescribed by the company-designated physician and agreed to by the seafarer. Failure of the seafarer to comply with the mandatory reporting requirement shall result in his forfeiture of the right to claim the above benefits.

If a doctor appointed by the seafarer disagrees with the assessment, a third doctor may be agreed jointly between the Employer and the seafarer. The third doctor's decision shall be final and binding on both parties.

On the basis of the above provisions, the Court will, thus, proceed to discuss the main substantive issues which relate to: (1) whether or not Ernesto's illnesses are work-related or work aggravated, and (2) whether or not he is entitled to disability compensation by reason of such illnesses.



The first issue is factual and it is settled that factual issues are not proper subjects in a petition for review on *certiorari* under Rule 45 of the Rules of Court. Only questions of law should be raised in petitions filed under this Rule.¹⁹ This principle, however, is subject to certain exceptions, to wit: (1) when the conclusion is a finding grounded entirely on speculation, surmises or conjectures; (2) when the inference made is manifestly mistaken, absurd or impossible; (3) where there is a grave abuse of discretion; (4) when the judgment is based on a misapprehension of facts; (5) when the findings of fact are conflicting; (6) when the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) the findings of the Court of Appeals are contrary to those of the trial court; (8) when the findings of fact are conclusions without citation of specific evidence on which they are based; (9) when the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondents; and (10) the finding of fact of the Court of Appeals is premised on the supposed absence of evidence and is contradicted by the evidence on record.²⁰ The crux of the instant petition revolves around the contrasting findings of the LA and the NLRC, on one hand, and the CA on the other with respect to the issue of whether or not respondent's illnesses are work-related or work aggravated. Thus, this issue may be the subject of this Court's review.

From the pieces of evidence and arguments presented by the parties, it appears that the opinion of Ernesto's physician, that his illnesses are work-related or work aggravated, is diametrically opposed to the evaluation made by the company doctor which found that Ernesto's illnesses are not work-related. The LA and the NLRC gave credence to the findings of the company-designated doctor, while the CA gave more weight to the findings of respondent's physician of choice.

In *Andrada v. Agemar Manning Agency, Inc., et al.*,²¹ this Court held that:

Jurisprudence is replete with pronouncements that it is the company-designated physician who is entrusted with the task of assessing the seaman's disability, whether total or partial, due to either injury or illness, during the term of the latter's employment. It is his findings and evaluations which should form the basis of the seafarer's disability claim. His assessment, however, is not automatically final, binding or conclusive on the claimant, the labor tribunal or the courts, as its inherent merits would still have to be weighed and duly considered. The seafarer may dispute such assessment by seasonably exercising his prerogative to seek a second opinion and consult a doctor of his choice. In case of disagreement between the findings of the company-designated physician and the

¹⁹ *Pascual v. Burgos, et al.*, 776 Phil. 167, 182 (2016).

²⁰ *Id.* at 182-183.

²¹ 698 Phil. 170 (2012).

seafarer's doctor of choice, the employer and the seaman may agree jointly to refer the latter to a third doctor whose decision shall be final and binding on them.²²

In the present case, there is no evidence to show that the parties jointly sought the opinion of a third physician in the determination and assessment of Ernesto's disability or the absence of it. Hence, the credibility of the findings of their respective doctors was properly evaluated by the labor tribunals (*LA and NLRC*) as well as the CA on the basis of their inherent merits.

After a review of the records at hand, the Court finds that there is no cogent reason to depart from the findings of the LA and the NLRC that Ernesto failed to establish that his subject illnesses were either work-related or work aggravated.

For disability to be compensable under the above POEA-SEC, two elements must concur: (1) the injury or illness must be work-related; and (2) the work-related injury or illness must have existed during the term of the seafarer's employment contract.²³ To be entitled to compensation and benefits under the governing POEA-SEC, it is not sufficient to establish that the seafarer's illness or injury has rendered him permanently or partially disabled; it must also be shown that there is a causal connection between the seafarer's illness or injury and the work for which he had been contracted.²⁴

In other words, while the law recognizes that an illness may be disputably presumed to be work-related, prevailing jurisprudence requires that the seafarer or the claimant must still show a reasonable connection between the nature of work on board the vessel and the illness contracted or aggravated.²⁵ Thus, the burden is placed upon the claimant to present substantial evidence that his work conditions caused or at least increased the risk of contracting the disease.²⁶

In this case, however, Ernesto was unable to present substantial evidence to show that his work conditions caused, or at the least increased the risk of contracting his illness. Neither was he able to prove that his illness was pre-existing and that it was aggravated by the nature of his employment.

²² *Id.* at 182.

²³ *Doehle-Philman Manning Agency, Inc., et al. v. Haro*, 784 Phil. 840, 850 (2016); *Austria v. Crystal Shipping, Inc.*, 781 Phil. 674, 682 (2016).

²⁴ *Id.*

²⁵ *Nonay v. Bahia Shipping Services, Inc.*, 781 Phil. 197, 217 (2016).

²⁶ *Id.* at 218.



Contrary to the ruling of the CA, there is no evidence to prove that the findings of Ernesto's private physician, Dr. Joel Carlos, were reached based on an extensive or comprehensive examination of Ernesto. In the Medical Certificate²⁷ he issued, Dr. Carlos diagnosed Ernesto as suffering from "cerebrovascular disease (CVD) and hypertensive atherosclerotic cardiovascular disease"; that he suffered from these illnesses "due to the nature of patient's work and the working conditions/environment on board vessel" and, by reason of which, "[p]atient is no longer advised to work especially as a seaman due to his ... neurologic deficits." However, aside from the above Medical Certificate, Ernesto failed to present competent evidence to prove that he was thoroughly examined by Dr. Carlos. No proof was shown that laboratory or diagnostic tests nor procedures were taken. In fact, Dr. Carlos did not specify the medications he prescribed and the type of medical management he made to treat Ernesto's condition. Dr. Carlos did not sufficiently justify his conclusions that Ernesto's illnesses started at work or are work-related and that, by reason of such illnesses, Ernesto was no longer fit to work. At most, the said Medical Certificate is a mere summary and generalization of Ernesto's medical history and condition based on a one-time consultation. Indeed, Dr. Carlos indicated therein that he examined Ernesto on March 8, 2014. However, a cursory reading of the said Medical Certificate shows that the same was issued on the same day. This only proves that Ernesto was under the care of Dr. Carlos for only one day, without any indication whether Ernesto consulted him previously.

While it is true that probability and not ultimate degree of certainty is the test of proof in compensation proceedings, it cannot be gainsaid, however, that award of compensation and disability benefits cannot rest on speculations, presumptions and conjectures.²⁸ In addition, the Court agrees with the finding of the NLRC that "[c]omplainant [Ernesto] failed to demonstrate that he was subjected to any unusual and extraordinary physical or mental strain or event that may have triggered his stroke."

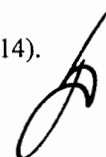
Also, it may be true that there is nothing in Ernesto's Pre-Employment Medical Examination (PEME) which showed that he suffered from left cerebral infarct prior to his deployment. However, this Court has ruled that the PEME is not exploratory and does not allow the employer to discover any and all pre-existing medical conditions with which the seafarer is suffering and for which he may be presently taking medication.²⁹ The PEME is nothing more than a summary examination of the seafarer's physiological condition; it merely determines whether one is "fit to work" at sea or "fit for sea service" and it does not state the real state of health of an applicant.³⁰ The "fit to work" declaration in the PEME cannot be a conclusive proof to

²⁷ *Rollo*, p. 142.

²⁸ *Andrada v. Agemar Manning Agency, Inc., et al.*, *supra* note 21, at 184.

²⁹ *Status Maritime Corporation, et al. v. Spouses Delalamon*, 740 Phil. 175, 194 (2014).

³⁰ *Id.*



show that he was free from any ailment prior to his deployment.³¹ In this regard, it is also true that the pre-existence of an illness does not irrevocably bar compensability because disability laws still grant the same provided the seafarer's working conditions bear causal connection with his illness.³² These rules, however, cannot be asserted perfunctorily by the claimant as it is incumbent upon him to prove, by substantial evidence, as to how and why the nature of his work and working conditions contributed to and/or aggravated his illness.³³ However, as earlier discussed, Ernesto failed to discharge this burden of proof. His claims are mere general statements presented as self-serving allegations which were not validated by any written document or any other evidence visibly demonstrating that the working conditions on board the vessel "M/V Foxhound" served to cause or worsen his illnesses.

Thus, on the basis of the foregoing discussions, the LA and the NLRC correctly ruled that Ernesto is not entitled to any disability compensation. The Court commiserates with Ernesto, but absent substantial evidence from which reasonable basis for the grant of benefits prayed for can be drawn, the Court is left with no choice but to deny his petition, lest an injustice be caused to his employer. Otherwise stated, while it is true that labor contracts are impressed with public interest and the provisions of the POEA-SEC must be construed logically and liberally in favor of Filipino seamen in the pursuit of their employment on board ocean-going vessels, still the rule is that justice is in every case for the deserving, to be dispensed with in the light of established facts, the applicable law, and existing jurisprudence.³⁴

However, the Court takes careful note of the fact that evidence on record would show that the evaluation made by the company-designated physician with respect to Ernesto's medical condition was not completed. In fact, in his December 9, 2013 letter addressed to petitioner, the Medical Director who was handling Ernesto's case did not make a report of the final assessment of his medical condition owing to the fact that they are still awaiting the results of the CT angiogram done on him, although the said Medical Director indicated that "initial reading of the angiogram shows a potential problem which needs more investigation."³⁵ Thus, as noted by the CA, "Dr. Teves failed to make a complete assessment of Yamson's health condition or disability or fitness to work."³⁶

Under Section 20 of the 2010 Amended Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers On-

³¹ *Id.* at 194-195.

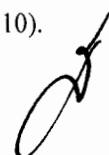
³² *Id.* at 196.

³³ *Id.*

³⁴ *Panganiban v. TARA Trading Shipmanagement, Inc., et al.*, 647 Phil. 675, 691 (2010).

³⁵ See *rollo*, p. 115.

³⁶ *Id.* at 89.



Board Ocean-Going Ships, failure of the seafarer to comply with the mandatory reporting requirements as prescribed by the company-designated physician would result in the forfeiture of the right to claim, among others, sickness allowance and reimbursement of medical and transportation expenses incurred as a result of the seafarer's continued treatment. In this regard, petitioner contends that it was Ernesto's fault that he failed to complete his post-employment medical examination when, after being discharged from the hospital on December 13, 2013, he no longer reported to the company-designated doctor on the dates prescribed by the latter for his continued medical evaluation. On the other hand, Ernesto retorted by claiming that petitioner is actually at fault because it left him with no other choice but to consult a doctor of his own considering that upon his "return to Manila Doctor's [Hospital] for a follow-up check-up after he was discharged and was already treated as an out-patient, a nurse informed him and his wife that he was taken off his status as an out-patient and in fact his account with the hospital was already closed by the Petitioner."³⁷ A perusal of the records at hand would, however, show that both parties failed to present substantial evidence to prove their respective allegations. Thus, in the absence of proof, the above claims of both parties are considered mere self-serving assertions which cannot be given credence. It has been ruled, time and again, that self-serving and unsubstantiated declarations are insufficient to establish a case before quasi-judicial bodies where the quantum of evidence required to establish a fact is substantial evidence.³⁸ Since the parties failed to substantiate their allegations, the Court cannot, with sufficiency and finality, determine who between them is at fault for the discontinuance and non-completion of the post-employment medical examination of Ernesto. Thus, there is no basis to grant Ernesto's prayer for sickness allowance and reimbursement of medical and transportation expenses.

In any case, it is clear that Ernesto did not undergo any kind of treatment by the company doctor subsequent to being discharged from the hospital. Neither was there any definite declaration or assessment by the company doctor that respondent is already fit to go back to work following his hospital discharge. Nonetheless, it is undisputed that Ernesto was no longer able to return to work after his hospital discharge on December 13, 2013. In fact, Ernesto died on September 28, 2017, pending resolution of this petition, and the immediate cause of his death was "Brainstem Failure Secondary to Cerebrovascular Disease, Acute Infarction"³⁹ which, undeniably, was related to the illnesses subject of the instant case. If Ernesto were still alive, this Court would have ordered petitioner to continue, at its expense, Ernesto's medical treatment until the final evaluation or assessment could be made, with regard to his medical condition. Unfortunately, this can no longer be done. In a number of cases, this Court, has granted financial assistance to separated employees for humanitarian considerations, as a

³⁷ See Comment to Petitioner's Petition for Review on *Certiorari*, *id.* at 609.

³⁸ *Interorient Maritime Enterprises, Inc. v. Creer III*, 743 Phil. 164, 184 (2014).

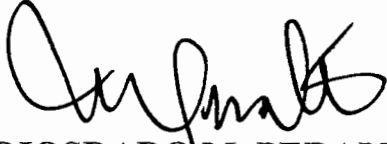
³⁹ See Certificate of Death, *rollo*, p. 650.



measure of social and compassionate justice and as an equitable concession.⁴⁰ Taking into consideration the factual circumstances obtaining in the present case, and the fact that Ernesto, in his own little way, has devoted his efforts to further petitioner's endeavors, the Court finds that Ernesto, who is now substituted by his heirs, is entitled to this kind of assistance in the amount of ₱75,000.00.

WHEREFORE, the instant petition is **GRANTED**. The Decision and Resolution of the Court of Appeals dated, June 9, 2016 and December 1, 2016, respectively, in CA-G.R. SP Nos. 142663 and 142689 are **REVERSED and SET ASIDE**. The Decision of the NLRC in NLRC LAC No. 10-000876-14 (NLRC NCR-OFW-M 03-03096-14), promulgated on June 25, 2015, is **REINSTATED with MODIFICATION** to the effect that the grant of sickness allowance and medical and transportation expenses are **DELETED**. In lieu thereof, petitioner is **ORDERED to PAY** respondent's heirs the amount of ₱75,000.00 as financial assistance.

SO ORDERED.



DIOSDADO M. PERALTA
Associate Justice

⁴⁰ *Panganiban v. TARA Trading Shipmanagement, Inc.*, supra note 34, at 686, 692; *Villaruel v. Yeo Han Guan*, 665 Phil. 212, 221 (2011); *Eastern Shipping Lines, Inc. v. Antonio*, 618 Phil. 601, 614-615 (2009).

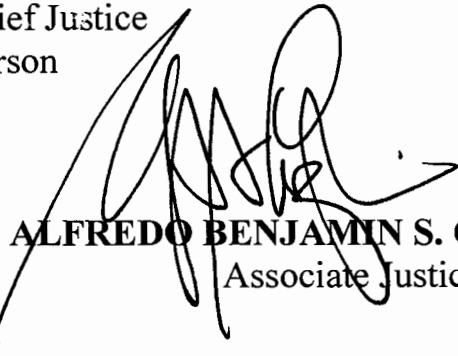
WE CONCUR:




ANTONIO T. CARPIO
Acting Chief Justice
Chairperson



ESTELA M. PERLAS-BERNABE
Associate Justice



ALFREDO BENJAMIN S. CAGUIOA
Associate Justice



ANDRES B. REYES, JR.
Associate Justice

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



ANTONIO T. CARPIO
Acting Chief Justice