Republic of the Philippines
Supreme Court
Manila

SECOND DIVISION

MANILA SHIPMANAGEMENT & MANNING, INC., and/or HELLESPONT HAMMONIA GMBH & CO. KG and/or AZUCENA C. DETERA,	**G.R. No. 217135**
Petitioners,	Present:
	CARPIO, *J.*, Chairperson,
	LEONARDO-DE CASTRO,*
	PERLAS-BERNABE,
	CAGUIOA, and
- versus -	REYES, JR., *JJ.*
	Promulgated:
RAMON T. ANINANG,	31 JAN 2018
Respondent.	

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DECISION

REYES, JR., *J.*:

The failure of a seafarer to submit himself/herself to a post-employment medical examination by a company-designated physician within three working days upon his return to the Philippines shall result in the forfeiture of his/her right to claim disability benefits.

The Case

Challenged before this Court *via* this Petition for Review on *Certiorari* under Rule 45 of the Rules of Court is the Decision[1] of the Court of Appeals (CA) promulgated on October 29, 2014, which reversed and set

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* Additional member as per raffle dated April 15, 2015.

1 Penned by Associate Justice Fernanda Lampas-Peralta, and concurred in by Associate Justices Francisco P. Acosta and Myra V. Garcia-Fernandez; *rollo*, pp. 9-22.

aside the Decision[2] and Resolution[3] dated June 10, 2013 and August 30, 2013, respectively, of the National Labor Relations Commission (NLRC). Likewise challenged is the subsequent Resolution[4] of the CA promulgated on February 24, 2015, which upheld the earlier decision.

The Antecedent Facts

As borne by the records, the following are the undisputed facts:

The respondent is a Filipino seafarer, who signed a Contract of Employment[5] as Chief Engineer with HELLESPONT HAMMONIA GMBH & CO. KG (petitioner), through its manning agent in the Philippines, petitioner MANILA SHIPMANAGEMENT & MANNING, INC. The duration of the contract was for six (6) months, with a basic monthly salary of US$2,435.00, and an owner bonus of US$4,600.00. The contract specified a 40-hour work week with subsistence allowance amounting to US$152.00, leave pay of US$649.00, and fixed overtime pay per month of US$1,464.00.[6]

On June 26, 2010, the respondent commenced his duties and departed the Philippines on board "MT HELLESPONT CREATION." Sometime thereafter, and while still aboard the vessel, the respondent experienced chest pain and shortness of breath. As found by the CA, the respondent requested for early repatriation from the master of the vessel, but was refused, and instead, his contract was extended for another month from December 12, 2010 to January 31, 2011. On February 2, 2011, the respondent arrived back in the Philippines.[7]

It is after this point that the versions of facts of the petitioners and the respondent diverge.

According to the petitioners, after the respondent's repatriation, the latter "never voiced out any health concern nor did he report for a post-employment medical examination."[8] The petitioners further alleged that they had no contact whatsoever with the respondent until the time that they (petitioners) received the complaint filed by the respondent on March 6, 2012. The petitioners pointed out that this complaint was initiated more than

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2 Id. at 351-365
3 Id. at 423-424.
4 Id. at 34.
5 Id. at 107.
6 Id.
7 Id. at 10.
8 Id. at 43.

one year after the respondent's disembarkation from "MT HELLESPONT CREATION."[9]

On the other hand, the respondent asserted that upon his arrival in the Philippines, he "immediately went to private respondent MANSHIP (herein petitioner) for post-employment medical examination, but private respondent MANSHIP failed to refer him to the company-designated physician."[10] According to the respondent, petitioners' refusal prompted him to consult with his personal physician, Dr. Achilles C. Esguerra, who later on diagnosed him with congestive heart failure,[11] and declared him physically unfit for sea service.[12]

According to the respondent, on February 15, 2011, less than two weeks after his arrival in the Philippines, he underwent ECG, ED Echo, and ultrasound procedures in Clinica Caritas. Few days thereafter, on February 26, 2011, he suddenly collapsed and was rushed to the Medical City where he was confined for three days. By September 29, 2011, Dr. Esguerra diagnosed him of his illness. On February 2, 2012, he was once more confined, this time in St. Luke's Medical Center for eight days, and was diagnosed with "dilated cardiomyopathy (non-ischemic) S/P CVD Infarct (2010) and chronic atrial fibrillation."[13]

On the basis of the foregoing, the respondent sought from the petitioners the payment of disability benefits; medical, surgical, and hospitalization expenses; and sickness allowance. The petitioners denied the claim.

Hence, on June 1, 2012, the respondent filed with the Labor Arbiter (LA) a complaint against the petitioners.

The LA Ruling

After the submission of the pleadings by both parties, the LA ruled that the respondent suffered from total and permanent disability. This is because "the proximity of the date of repatriation and the time the complainant collapsed is too close that it leads to the conclusion that complainant's ailment was work-aggravated during the term of his contract."[14] The LA also ruled that the respondent was justified in not

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9 Id.
10 Id. at 1003.
11 Id. at 123.
12 Id. at 10-11.
13 Id. at 11.
14 Id. at 297.

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complying with the mandatory reporting requirement within three days from repatriation because the respondent herein "was not medically repatriated."[15]

On July 31, 2012, the LA rendered a Decision ruling in favor of the respondent. The *fallo* of the LA decision reads:

> IN VIEW OF THE FOREGOING, the respondent [herein petitioner] is directed to pay the complainant [herein respondent] of his disability benefit of SIXTY THOUSAND US DOLLARS (USD60,000.00) and hospitalization expenses of THREE HUNDRED SIXTY-EIGHT THOUSAND SIX HUNDRED TWENTY-TWO AND 70/100 PESOS (PHP368,622.70).
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> Complainant shall likewise be paid of his attorney's fees equivalent to 10% of the monetary award.
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> The rest of the claims are DISMISSED.
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> SO ORDERED.[16]

The NLRC Ruling

Aggrieved, herein petitioners elevated the case to the NLRC, which reversed and set aside the LA decision.

The NLRC stated that the respondent's allegation that he submitted himself to the petitioners within three days from his repatriation are mere self-serving assertions that are not proved by evidence. The NLRC quoted the Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC) and relevant jurisprudence stating that this reporting is mandatory, and failure to comply thereto would result to the denial of the seafarer's claim.[17]

Also, the NLRC ruled that the respondent failed to substantiate his claim that his illness was work-related, or at the least, work-aggravated. The NLRC said that the respondent "did not even attempt to show the connection of his alleged illnesses with the nature of his work as chief engineer officer, except a mere recital of the fact that he was employed as one, thereby enumerating his functions.[18]

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15 Id.
16 Id. at 298.
17 Id. at 360-362.
18 Id. at 363.

On June 10, 2013, the NLRC promulgated its Decision, the dispositive portion of which states that:

> WHEREFORE, premises considered, the instant (sic) is hereby GRANTED. Accordingly, the appealed Decision is hereby **REVERSED** and **SET ASIDE,** and a new one entered **DISMISSING** the instant complaint for lack of merit.
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> SO ORDERED.[19]

The CA Ruling

On the basis of the NLRC decision, it was then the respondent that challenged the decision before the CA on Rule 65 of the Rules of Court.

In reversing the NLRC decision, the CA found that: (1) the respondent's medical condition was aggravated by his responsibilities, physical and emotional stress on board the petitioners' vessel;[20] and (2) "there is no denying" that the respondent tried to comply with the three-day medical examination deadline, but was refused and ignored by the petitioners.[21] In so ruling, the CA asserted that strict rules of evidence are not applicable in claims for compensation and disability benefits.[22]

Thus, on October 29, 2014, the CA rendered the assailed Decision, the dispositive portion of which reads:

> WHEREFORE, the petition is granted. The Decision dated June 10, 2013 and Resolution dated August 30, 2013 of public respondent National Labor Relations Commission are reversed and set aside, and the Decision dated July 31, 2012 of the labor arbiter is reinstated.
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> SO ORDERED.[23]

Hence, this petition.

The Issues

The petitioners seek the reversal of the assailed decision and resolution by the CA on the basis of the following grounds:

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19 Id. at 364.
20 Id. at 19.
21 Id. at 20.
22 Id. at 21.
23 Id. at 22.

A — THE COURT OF APPEALS GRAVELY ERRED WHEN IT DECIDED TO IGNORE THE 3-DAY MANDATORY REPORTING REQUIREMENT PROVIDED UNDER THE POEA-SEC.

B — THE COURT OF APPEALS GRAVELY ERRED WHEN IT HELD THAT RESPONDENT WAS ABLE TO PROVE THAT HIS ILLNESS IS WORK-RELATED AND THAT HE CONTRACTED HIS ILLNESS DURING THE TERM OF HIS EMPLOYMENT.

C — THE COURT OF APPEALS GRAVELY ERRED WHEN IT REINSTATED THE AWARD OF HOSPITALIZATION EXPENSES AND ATTORNEY'S FEES.[24]

In essence, the Court is called upon to rule on the following issues: (1) whether or not the respondent complied with the post-employment medical examination by a company-designated physician within three working days upon his return to the Philippines; and (2) whether or not the respondent's illness was work-related and was contracted during the term of his employment.

The Court's Ruling

After a careful perusal of the arguments presented and the evidence submitted, the Court finds that there is merit in the petition and that the arguments of the respondent fail.

As a general rule, only questions of law are reviewable by the Court. This is because it is not a trier of facts;[25] it is not duty-bound to analyze, review, and weigh the evidence all over again in the absence of any showing of any arbitrariness, capriciousness, or palpable error.[26] Thus, factual findings of administrative or quasi-judicial bodies, including labor tribunals, are accorded much respect by the Court as they are specialized to rule on matters falling within their jurisdiction especially when these are supported by substantial evidence.[27] In labor cases, this doctrine applies with greater force as questions of fact presented therein are for the labor tribunals to resolve.[28]

The Court, however, permitted a relaxation of this rule whenever any

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24 Id. at 46.

25 *Manotok Realty, Inc. v. CLT Realty Development Corp.*, 512 Phil. 679, 706 (2005), as cited in *Van Clifford Torres y Salera v. People of the Philippines*, G.R. No. 206627, January 18, 2017.

26 *Fuentes v. Court of Appeals*, 335 Phil. 1163, 1168 (1997); *Bautista v. Puyat*, 416 Phil. 305, 308 (2001), as cited in *Van Clifford Torres y Salera v. People of the Philippines*, G.R. No. 206627, January 18, 2017.

27 *De Leon v. Maunlad Trans, Inc.*, G.R. No. 215293, February 8, 2017.

28 Id.

of the following circumstances is present:

1. when the findings are grounded entirely on speculations, surmises or conjectures;
2. when the inference made is manifestly mistaken, absurd or impossible;
3. when there is 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 in making its findings, the Court of Appeals went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee;
7. when the findings are contrary to that of the trial court;
8. when the findings 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 respondent;
10. when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; or
11. when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion.[29]

To be sure, the issues in this case are questions of fact, which the Court would generally not disturb. Nonetheless, in light of the apparent conflict among the findings of facts of the LA, NLRC and CA, and on the strength of the relaxation of the rules quoted above, the Court can and will delve into the present controversy.

According to Section 20(A)(3) of the 2010 "Amended Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers On-board Ocean-going Ships" (POEA Contract), when the seafarer suffers work-related illness during the term of his contract, the employer shall be liable to pay for: (1) the seafarer's wages; (2) costs of medical treatment both in a foreign port and in the Philippines until the seafarer is declared fit to work, or the disability rating is established by the company-designated physician; (3) sickness allowance which shall not exceed 120 days; and (4) reimbursement of reasonable medicine, traveling, and accommodation expenses.[30]

However, to be qualified for the foregoing monetary benefits, the same section of the POEA Contract requires the seafarer to submit himself/herself to a post-employment medical examination by a company-designated physician within three working days upon his return to the

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29 Id.

30 Philippine Overseas Employment Administration Memorandum Circular No. 10, series of 2010, "Amended Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers On-board Ocean-going Ships," Sec. 20(A)(3).

Philippines, except when he is physically incapacitated to do so. The seafarer is likewise required to report regularly to the company-designated physician during the course of his treatment.[31]

The mandatory character of this three-day reporting requirement has been recently reiterated by the Court in the case of *Scanmar Maritime Services, Inc. v. De Leon.*[32] In that case, the Court had occasion to, once more, explain the *ratio* behind this rule. The Court said:

> **The rationale for the rule [on mandatory post-employment medical examination within three days from repatriation by a company-designated physician] is that reporting the illness or injury within three days from repatriation fairly makes it easier for a physician to determine the cause of the illness or injury.** Ascertaining the real cause of the illness or injury beyond the period may prove difficult. To ignore the rule might set a precedent with negative repercussions, like opening floodgates to a limitless number of seafarers claiming disability benefits, or causing unfairness to the employer who would have difficulty determining the cause of a claimant's illness because of the passage of time. The employer would then have no protection against unrelated disability claims.[33] (Emphasis and underscoring supplied)

This considering, in the event that a seafarer fails to comply with this mandatory reporting requirement, the POEA Contract provides that the seafarer shall not be qualified to receive his/her disability benefits. In fact, and more particularly, the POEA Contract provides that the seafarer shall forfeit these benefits. It said:

> Failure of the seafarer to comply with the mandatory reporting requirement shall result in his **forfeiture** of the right to claim the above benefits.[34] (Emphasis and underscoring supplied)

Thus, in *InterOrient Maritime Enterprises, Inc. v. Creer III*,[35] the Court ruled that the respondent's non-compliance with the three-day rule on post-employment medical examination was fatal to his cause. As a consequence, his right to claim for compensation and disability benefits was forfeited. The Court ruled that the complaint should have been dismissed outright.[36]

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31 Id. at paragraph 3.

32 G.R. No. 199977, January 25, 2017.

33 Id., citing *InterOrient Maritime Enterprises, Inc. v. Creer III*, 743 Phil. 164, 179 (2014); *See* also *Wallem Maritime Services, Inc. v. Tanawan*, 693 Phil. 416, 429 (2012).

34 Supra, note 30.

35 743 Phil. 164, 179 (2014).

36 Id.

In the case at hand, the determination of whether or not the respondent did indeed present himself to the petitioners for medical treatment within three days from his disembarkation resulted to varying findings of facts among the LA, NRLC, and CA, which eventually germinated three different conclusions.

In the LA decision, the LA found that the respondent did fail to comply with the requirement, but the LA found that "[t]here is justifiable cause for the failure to comply with the reporting requirement as the complainant was not medically repatriated."[37] In the same way, the NLRC likewise averred that the respondent failed to comply with the requirement, but contrary to the LA decision, it found no justifying cause thereto. Still, in yet another finding, the CA asserted that the respondent indeed presented himself before the petitioners and that "there is no denying this fact."[38]

In light of these conflicting findings, the Court poured over the records of the case, and after a detailed study thereof, rules against the respondent.

Aside from the self-serving allegations of the respondent in his pleadings, there is no evidence that would suggest that he presented himself before the petitioners upon disembarkation. Indeed, he presented no witnesses that would support his allegations. He did not even bother to tell the Court who it is that he talked with in the petitioners' office—if indeed he went to the petitioners' office—on the day of the meeting. He did not even relay how his request for medical treatment was supposedly refused, and by whom. No date was even alleged.

To be sure, there was a conspicuous lack of details to his supposed meeting that it has failed to convince the LA, the NLRC, and even this Court of the truthfulness of this allegation.

In addition, the LA decision which exempts him from the application of the mandatory reporting requirement has no leg to stand on. The POEA Contract is clear and admits of no exceptions, save from the instance when the seafarer is physically incapacitated to report to the employer. In which case, Section 20(A)(c) requires him to submit a written notice to the agency within the same period as compliance. This has not happened in this case.

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37 *Rollo*, p. 297.

38 Id. at 20.

More, when the CA decision admitted the respondent's allegations as fact, it has pointed to no evidence that would support this assertion. On this issue, the CA decision stated the following, and nothing more:

> There is no denying that petitioner tried to comply with the mandatory 3-day medical examination deadline provided in Section 20(B), paragraph (3) of the POEA-SEC by going to private respondent MANSHIP's office after his repatriation on February 2, 2011 and requesting referral to the company-designated physician. However, private respondent MANSHIP refused to accommodate him and ignored his request. Section 20 (B), paragraph (3) of the POEA-SEC reads:[39]
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> x x x x

Thus, against this factual backdrop, the respondent would be hard-pressed to convince the Court of his arguments. And in this light, the Court could enter no other conclusion than that the respondent failed to comply with the requirements of Section 20(A)(c) of the POEA Contract. Necessarily therefore, the ruling of the CA and the LA must be reversed and set aside.

In view of the foregoing disquisitions, the Court thus finds no need to discuss the other issues presented.

As a final word, the Court has time and again upheld the primacy of labor, for it is through the effort of the Filipino worker that the economy is stirred and is steered to the right direction. However, as before, the Court shall not be an instrument to the detriment of the employer if the most basic rules in the POEA Contract are not complied with—as in this case.

WHEREFORE, premises considered, the Decision and Resolution of the Court of Appeals dated October 29, 2014 and February 24, 2015, respectively, are hereby **REVERSED and SET ASIDE.** The Decision of the National Labor Relations Commission dated June 10, 2013, which reversed and set aside the Decision of the Labor Arbiter dated July 31, 2012 and dismissed the Complaint for lack of merit, is hereby **REINSTATED.**

SO ORDERED.

ANDRES B. REYES, JR.
Associate Justice

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[39] Id.

WE CONCUR:

ANTONIO T. CARPIO
Senior Associate Justice
Chairperson

TERESITA J. LEONARDO-DE CASTRO
Associate Justice

ESTELA M. PERLAS-BERNABE
Associate Justice

ALFREDO BENJAMIN S. CAGUIOA
Associate Justice

ATTESTATION

I attest 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
Senior Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, 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.

MARIA LOURDES P. A. SERENO
Chief Justice