



Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

GERARDO U. VILLE,
Petitioner,

G.R. No. 217879

Present:

versus

LEONEN, J.
Chairperson,
HERNANDO,
CARANDANG,*
DELOS SANTOS, and
LOPEZ, J. Y., JJ.

MAERSK-FILIPINAS CREWING,
INC. and/or A.P. MOLLER A/S,
Respondents.

Promulgated:

February 1, 2021

X ----- MICPDCB-11 ----- X

DECISION

HERNANDO, J.:

This Petition for Review on *Certiorari*¹ assails the December 19, 2014 Decision² and April 23, 2015 Resolution³ of the Court of Appeals (CA) in C.A.-G.R. SP No. 130257.

The appellate court reversed and set aside the February 28, 2013⁴ and March 27, 2013⁵ Resolutions of the National Labor Relations Commission

* Designated as additional member per raffle dated January 20, 2021 vice *J. Inting* who recused himself due to prior action in the Court of Appeals.

¹ *Rollo*, pp. 3-19A.

² *Id.* at 20-27; penned by Associate Justice Jose C. Reyes, Jr. (now a retired Member of this Court) and concurred in by Associate Justices Mario V. Lopez (now a member of this Court) and Melchor Quirino C. Sadang.

³ *Id.* at 28.

⁴ *Id.* at 108-120; penned by Commissioner Teresita D. Castillon-Lora and concurred in by Presiding Commissioner Raul T. Aquino and Commissioner Erlinda T. Agus.

⁵ *Id.* at 122-123.

(NLRC) in NLRC LAC No. 11-000995-12 and held that petitioner Gerardo U. Ville (Ville) is not entitled to total and permanent disability benefits.

The Antecedents:

In July 2011, respondent manning agency Maersk-Filipinas Crewing, Inc. (Maersk), in behalf of its foreign principal, respondent A.P. Moller A/S, hired Ville as Chief Cook on board the ship *Adrian Maersk* for a period of six months.⁶ Before his deployment, Ville underwent a Pre-Employment Medical Examination (PEME)⁷ wherein he was declared as fit for work. On August 11, 2011, he departed from the Philippines to join his vessel of assignment.⁸

Upon the expiration of his contract on March 1, 2012, Ville disembarked from the vessel.⁹ Upon his arrival in the Philippines, he did not report that he was experiencing any illness or injury while on board *Adrian Maersk*.¹⁰

On March 7, 2012, Ville underwent another PEME as a prerequisite for another deployment. In said PEME, he disclosed for the first time that he has a history of high blood pressure or hypertension and has been taking medication. The results of the PEME indicated that Ville had Coronary Artery Disease.¹¹ Hence, he was declared “Unfit for Sea Duty.”¹²

Dr. Raymund Jay Sugay, his PEME doctor, opined that Ville’s heart ailment would necessitate further evaluation and treatment. Ville then underwent a Myocardial Perfusion Scintigraphy¹³ on April 16, 2012 at the Philippine Heart Center which confirmed that he had indeed a heart condition.

Under the impression that he contracted the illness while on board *Adrian Maersk*, Ville filed a Complaint¹⁴ on May 3, 2012 against the respondents for reimbursement of medical expenses and sickness allowance, payment of total and permanent disability benefits, moral and exemplary damages, attorney’s fees plus legal interest.¹⁵

On May 29, 2012, Ville underwent a Coronary Angiography¹⁶ which yielded a Clinical Abstract¹⁷ concluding that he has “3 Vessel Coronary Artery Disease.” He likewise consulted Dr. Edwin S. Tucay (Dr. Tucay) of the

⁶ Id. at 147, 163; approved on August 3, 2011.

⁷ The result was not attached in the records.

⁸ *Rollo*, p. 21.

⁹ Id. at 126.

¹⁰ Id. at 21, 126.

¹¹ Id. at 148.

¹² *Supra*, note 7.

¹³ *Rollo*, p. 169.

¹⁴ *CA rollo*, pp. 215-219.

¹⁵ *Rollo*, p. 22.

¹⁶ Id. at 165-166.

¹⁷ Id. at 167-168.

Philippine Heart Center who certified¹⁸ on August 28, 2012 that Ville has 3 Vessel Disease (Coronary Artery Disease). Dr. Tucay advised that Ville should not be employed as a seafarer.¹⁹

In his Position Paper,²⁰ Ville asserted that he already had a heart ailment before he disembarked from *Adrian Maersk* on March 1, 2012. However, his illness was only detected when he underwent a PEME for his redeployment. He argued that he has been working for the respondents for seven years under 11 contracts and that he has always been declared fit to work before every embarkation.²¹ He has no medical history of coronary artery disease and that his duties onboard caused him stress and over fatigue which aggravated his heart ailment.²²

On the other hand, the respondents argued that: “(a) [Ville] failed to present any evidence that he suffered any injury or illness during his employment; (b) x x x [he] has not presented substantial evidence showing that his condition is work-related; (c) [his] illness was acquired after the expiration of the term of his contract with respondents; (d) since [his] hypertension is a pre-existing condition, it is not compensable; and (e) by virtue of [his] failure to submit himself to a post-employment medical examination by the company-designated doctor within 72 hours or three (3) days upon his repatriation, [Ville] is disqualified from any award of disability compensation.”²³

Ruling of the Labor Arbiter (Arbiter):

The Arbiter found Ville entitled to disability benefits since his illness was work-related and was acquired during the term of his contract. The Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC) does not require that the illness be diagnosed during the term of the contract; it only entails that the ailment was acquired or aggravated during the said term.²⁴

Since Ville was asymptomatic when he joined the vessel, there is a presumption that a causal relationship exists between his heart ailment and his work as Chief Cook.²⁵ According to Section 32(A), item 11 (Occupational Disease), paragraph (a) under “Nature of Employment,” “if a person who was apparently asymptomatic before [working] showed signs and symptoms of cardiac injury during the performance of his/her work and such symptoms and

¹⁸ Id. at 164.

¹⁹ Id. at 21-22.

²⁰ Id. at 150-162.

²¹ Id. at 154.

²² Id. at 165-166.

²³ Id. at 46.

²⁴ Id. at 198.

²⁵ Id. at 199.

signs persisted, it is reasonable to claim a causal relationship.”²⁶

Ville’s failure to undergo post-employment medical examination within three days from his arrival did not bar him from claiming disability benefits. “[T]he purpose of a post medical examination is to allow the employer to satisfy himself of the veracity or gravity of the illness complained of. This, however, presumes that the illness was discovered before the end of the contract. In the case of complainant, the illness was discovered immediately after his repatriation. The post medical examination, therefore, served no purpose.”²⁷

The Arbiter found that Ville substantially complied with the requirement of post-employment medical examination when he underwent another PEME within four (working) days from his arrival.²⁸ Since Ville was declared unfit to work as a seafarer in any capacity, he is deemed to be permanently and totally disabled.²⁹ The dispositive portion of the Arbiter’s Decision reads:

WHEREFORE, premises considered, respondents are hereby ordered to pay complainant, jointly and severally, the sum of US\$60,000.00 or its equivalent in Philippine Peso at the time of payment, plus the additional sum equivalent to 10% of the award by way of attorney’s fees.

SO ORDERED.³⁰

Aggrieved, the respondents appealed³¹ to the NLRC.

Ruling of the National Labor Relations Commission:

In a Resolution³² dated February 28, 2013, the NLRC affirmed the ruling of the Arbiter. It similarly found that Ville had effectively discharged the burden of proving that his illness is compensable. The labor tribunal noted that he was in the employ of the respondents for seven years under 11 contracts.

It opined that Ville’s illness could not have developed in just a matter of days, and that a heart problem does not manifest easily and will not be detected until he submits himself to a medical examination. It ruled that Ville was already afflicted with the disease when he finished his contract on March 1, 2012 but that it was detected only during his PEME for the next contract.³³

²⁶ Id.

²⁷ Id. at 200.

²⁸ Id.

²⁹ Id. at 201.

³⁰ Id.

³¹ Id. at 202-226.

³² Id. at 108-120.

³³ Id. at 116-117.

Respondents' insistence that Ville's hypertension was a pre-existing condition also meant that he suffered the same illness during his previous employments for the past seven years. It was not convinced that Ville concealed his pre-existing illness for failure of the respondents to submit Ville's 2011 PEME result which could have revealed his health status then.³⁴

The NLRC ruled that respondents' directive for Ville to immediately report for reemployment justified his failure to undergo post-employment medical examination.³⁵ Even if Ville appeared asymptomatic on board, it would not alter the conclusion that his illness is compensable as the ailment manifested immediately on March 7, 2012 or six days after his repatriation on March 1, 2012.³⁶

The *fallo* of the NLRC's Decision states:

WHEREFORE, premises considered, the appeal is hereby declared without merit, hence, the Decision dated 15 October 2012 rendered by Labor Arbiter Raymund M. Celino is hereby **AFFIRMED**.

SO ORDERED.³⁷

The respondents sought for a reconsideration³⁸ which the NLRC denied in a Resolution³⁹ dated March 27, 2013.

Hence, they filed a Petition for *Certiorari*⁴⁰ [With Urgent Motion for the Issuance of a Temporary Restraining Order and/or Writ of Preliminary Injunction] before the CA. In a Resolution⁴¹ dated August 8, 2014, the appellate court denied respondents' prayer for an injunctive order.

Ruling of the Court of Appeals:

The appellate court, in its assailed December 19, 2014 Decision,⁴² granted respondents' Petition and held that the NLRC gravely abused its discretion when it affirmed the Arbiter's ruling that Ville was entitled to disability benefits.⁴³ For a disease to be compensable, the illness should be work-related and must have existed during the term of the contract. Since

³⁴ Id. at 117-118.

³⁵ Id. at 118.

³⁶ Id. at 119.

³⁷ Id.

³⁸ Id. at 259-273.

³⁹ Id. at 122-123.

⁴⁰ Id. at 70-103.

⁴¹ CA *rollo*, pp. 256-258.

⁴² *Rollo*, pp. 20-27.

⁴³ Id. at 27.

Ville's coronary artery disease was diagnosed only on August 28, 2012 or five months after his repatriation due to completion of his contract, the same cannot be considered to have existed during the term of his contract.⁴⁴

The appellate court pointed out that while he was on board *Adrian Maersk*, Ville did not complain of any medical problem and he completed his contract without any medical issue. "The mere fact that he was repatriated on March 1, 2012 on account of a finished contract and not for medical reasons weakens, if not belies, his claim of illness on board the vessel, and thereby militates against his entitlement to disability benefits under the [POEA-SEC]."⁴⁵

The appellate court emphasized that Ville only declared that he has a medical history of hypertension with medication when he underwent a PEME on March 7, 2012 for reemployment. This belated admission suggests that he was aware of his condition even during the term of his last contract with the respondents. If the respondents knew that he was hypertensive and undergoing medication, they could have repatriated him for medical reasons which could have rendered Section 20 (B) of the POEA-SEC applicable in his case.⁴⁶

Moreover, Ville failed to establish that his hypertension was caused by his employment as Chief Cook on board *Adrian Maersk*. He did not describe his working conditions on board the ship with particularity, and did not explain how and why said working environment could have caused or aggravated his illness. Likewise, he did not present any expert medical opinion as regards the cause of his coronary artery disease. Simply put, the appellate court found that Ville failed to present substantial evidence to support his claim.⁴⁷

The assailed CA Decision states as follows:

WHEREFORE, premises considered, the instant petition is **GRANTED**. The Resolution dated February 28, 2013 of the National Labor Relations Commission (NLRC) – Second Division in NLRC LAC No. 11-000995-12 and its Resolution dated March 27, 2013 are **REVERSED and SET ASIDE**.

SO ORDERED.⁴⁸

Ville filed a Motion for Reconsideration⁴⁹ but this was denied by the CA in its Resolution⁵⁰ dated April 23, 2015.

⁴⁴ Id. at 25.

⁴⁵ Id.

⁴⁶ Id. at 25-26.

⁴⁷ Id. at 26.

⁴⁸ Id. at 27.

⁴⁹ Id. at 29-41.

⁵⁰ Id. at 28.

Aggrieved, Ville filed the instant Petition for Review on *Certiorari*⁵¹ raising the following –

Issues

I.

The Honorable Court of Appeals committed serious errors of law in finding that petitioner is not entitled to recover total and permanent disability benefits as he failed to undergo the Post Employment Medical Examination.

II.

The Honorable Court of Appeals committed serious errors of law in reversing the judgment for attorney's fees.⁵²

The main issue is whether or not Ville is entitled to his claim for total and permanent disability benefits.

Our Ruling

The Petition has no merit.

The general rule is that We are not a trier of facts; it is not Our function to analyze or weigh evidence anew in light of the principle that the factual findings of the CA are conclusive and binding upon Us. As an exception to this rule, “[We], nevertheless, may proceed to probe and resolve factual issues presented here because the findings of the [CA] are contrary to those of the [Arbiter] and the NLRC.”⁵³

A seafarer's entitlement to disability benefits depends on Articles 197 to 199⁵⁴ of the Labor Code in relation to Rule X, Section 2 (a) of the Rules and Regulations Implementing Title II, Book IV of the Labor Code [Amended Rules on Employees' Compensation Commission (ARECC)];⁵⁵ the 2010⁵⁶ Amended Standard Terms and Conditions Governing the Overseas

⁵¹ Id. at 3-17.

⁵² Id. at 4.

⁵³ *Ranoa v. Anglo-Eastern Crew Management Phils., Inc.*, G.R. No. 225756, November 28, 2019 citing *Status Maritime Corporation v. Sps. Delalamon*, 740 Phil. 175, 189 (2014).

⁵⁴ Formerly Articles 191 to 193 of the Labor Code.

⁵⁵ Period of entitlement. – (a) The income benefit shall be paid beginning on the first day of such disability. If caused by an injury or sickness it shall not be paid longer than 120 consecutive days except where such injury or sickness still requires medical attendance beyond 120 days but not to exceed 240 days from onset of disability in which case benefit for temporary total disability shall be paid. However, the System may declare the total and permanent status at any time after 120 days of continuous temporary total disability as may be warranted by the degree of actual loss or impairment of physical or mental functions as determined by the System.

⁵⁶ The 2010 POEA-SEC applies since his *Adrian Maersk* contract was signed in 2011.

Employment of Filipino Seafarers On-Board Ocean-Going Ships (or the 2010 Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC) which is deemed incorporated in every seafarer's employment contract; a Collective Bargaining Agreement (CBA), if any; and the employment agreement between the employer and the seafarer.⁵⁷

Section 18 of the 2010 POEA-SEC provides:

SECTION 18. TERMINATION OF EMPLOYMENT

A. The employment of the seafarer shall cease when the seafarer completes his period of contractual service aboard the ship, signs-off from the ship and arrives at the point of hire.

A "contract between an employer and a seafarer ceases upon its completion, when the seafarer signs off from the vessel and arrives at the point of hire."⁵⁸ Indeed, "the employment of seafarers and its incidents are governed by the contracts they sign every time they are hired or re-hired. These contracts have the force of law between the parties as long as their stipulations are not contrary to law, morals, public order or public policy."⁵⁹ Thus, upon Ville's signing off from the vessel and repatriation on March 1, 2012 due to the completion of his contract, his employment relationship with the respondents correspondingly ceased. Consequently, no liability should attach to the respondents for any illness or incident that may have been acquired or transpire after signing off or expiration of his contract, as in this case.

Even on the assumption that Ville's illness is work-related and that the same was acquired on-board and during the term of his employment contract, his suit for disability benefits would still fail due to his non-compliance with the three-day reportorial requirement upon repatriation.

Section 19(H) of the 2010 POEA-SEC states:

SECTION 19. REPATRIATION

H. The seafarer shall report to the manning agency within 72 hours upon arrival at point of hire.

In addition, Section 20 (A) (3) provides:

SECTION 20. COMPENSATION AND BENEFITS

X X X X

⁵⁷ *Teodoro v. Teekay Shipping, Philippines, Inc.*, G.R. No. 244721, February 5, 2020.

⁵⁸ *Zonio, Jr. v. 88 Aces Maritime Services, Inc.*, G.R. No. 239052, October 16, 2019.

⁵⁹ *Madridejos v. NYK-Fil Ship Management, Inc.*, 810 Phil. 704 (2017) citing *Javier v. Philippine Transmarine Carriers, Inc.*, 738 Phil. 374, 384 (2014).

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:

x x x x

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.

*Zonio, Jr. v. 88 Aces Maritime Services, Inc.*⁶⁰ explains that:

As could be gleaned from the foregoing, a seafarer-claimant is mandated a period of three working days within which he should submit himself to a post-employment medical examination so that the company-designated physician can promptly arrive at a medical diagnosis. **Due to the express mandate on the reportorial requirement, the failure of the seafarer to comply shall result in the forfeiture of his right to claim the above benefits.**⁶¹

Nevertheless, while the requirement to report within three working days from repatriation appears to be indispensable in character, there are some established exceptions to this rule: (1) when the seafarer is incapacitated to report to the employer upon his repatriation; and (2) when the employer inadvertently or deliberately refused to submit the seafarer to a post-employment medical examination by a company-designated physician.⁶² (Emphasis supplied).

There is no dispute that Ville never reported to his employer that he was suffering from an ailment while on board *Adrian Maersk*. Additionally, even upon disembarkation, he did not inform his employer that he was experiencing any illness or that it was aggravated while on board the vessel. Significantly, Ville did not submit himself for post-employment medical examination within three working days after disembarkation. It is settled rule that non-compliance with the post-employment medical examination requirement is tantamount to a waiver or forfeiture of any right to claim disability benefits.

⁶⁰ *Supra*, note 55.

⁶¹ *Id.*, citing *De Andres v. Diamond H Marine Services & Shipping Agency, Inc.*, 813 Phil. 746 (2017).

⁶² *Id.*, citing *Falcon Maritime and Allied Services, Inc. v. Pangasian*, G.R. No. 223295, March 13, 2019.

Surely, at the time of his disembarkation, he was not incapacitated to inform them of any health condition that he was experiencing, since he even had the physical and mental capacity to enter into a new contract as he sought to comply with the PEME requirement of the same. Similarly, Ville cannot argue that the respondents inadvertently or deliberately prevented him from undergoing a post-employment medical examination since they were not aware in the first place that he had an ailment. Besides, it was incumbent upon the seafarer to report to the employer for a post-employment medical examination within three working days upon repatriation. Ville's failure to comply to this requirement is fatal to his cause.

Even assuming that Ville acquired an illness while on board, that he informed respondents, and then underwent a post-employment medical examination within three days from repatriation, his claim for disability benefits would still fail because he did not secure the medical opinion of the company-designated physician before consulting his own doctor in accordance with Section 20 (A) (3) of the 2010 POEA-SEC. His failure to do so bars him from claiming disability benefits. Without these assessments, his suit for disability benefits was filed prematurely.

Notably, Ville filed a Complaint⁶³ on May 3, 2012 even before he consulted his own physician. In fact, Dr. Tucay issued the certification that Ville had a heart ailment only on August 28, 2012, or almost four months after he filed the Complaint and almost six months after he disembarked from the vessel. Aside from the fact that Ville did not detail the causal relationship of his ailment with his perceived disability or how his work aggravated his condition, Dr. Tucay also did not clarify how his work at sea contributed to his (Ville's) heart ailment.

Assuming again that Ville was suffering from an ailment but which was not appropriately assessed, "[a] number of things could have happened in a span of x x x months. Petitioner did not allege that he maintained his medications or followed a diet in order to prevent recurrence or aggravation of his hypertension and coronary artery disease."⁶⁴ In the same way, Dr. Tucay's belated confirmation of Ville's heart disease unfortunately worked against his claim.

To reiterate, Ville was repatriated not because of any medical issue but due to the completion of his contract. He did not comply with the post-employment medical examination three-day reportorial requirement. He also prematurely filed his claim for disability benefits without any medical opinion from the company-designated physician or his personal doctor. On this score, he clearly did not follow the mandatory requirements of Section 20 (A) (3) of

⁶³ Supra, note 12.

⁶⁴ *Ranoa v. Anglo-Eastern Crew Management Phils., Inc.*, G.R. No. 225756, November 28, 2019.

the 2010 POEA-SEC, even if We were to assume that he suffered an ailment on board *Adrian Maersk*.

The Arbiter and the NLRC erred in holding Ville's PEME on March 7, 2012 as substantial compliance and a valid substitute for the mandated post-employment medical exam within three working days from repatriation under the 2010 POEA-SEC. Based on the records, Ville disembarked on March 1, 2012, a Thursday. He had three working days or until March 6, 2012 (Tuesday) to undergo a post-employment medical examination. Yet, he submitted himself to a PEME the next day or on March 7, 2012 (or four working days after disembarkation). In fine, the prescribed period to undergo post-employment medical examination had already lapsed.

Otherwise stated, by failing to undergo post-employment medical examination within the prescribed period, Ville is deemed to have waived his right to claim disability benefits.

Even if he did, "a belated submission of a seafarer to the company for post-employment medical examination has been held to be insufficient compliance with the reporting requirement and, hence, fatal to the seafarer's case."⁶⁵ Since Ville underwent PEME after the lapse of three working days, he cannot use substantial compliance as an excuse or exemption from the said rule.

Finally, while the provisions in the 2010 POEA-SEC should be liberally construed in favor of the seafarers, doing so should not unduly burden or force the employers to grant disability compensation when it is clearly not warranted, as in this case. Ville completed his *Adrian Maersk* contract without ever reporting any medical illness while on board, even when it was his responsibility to monitor his own health so that the respondents can act accordingly by medically repatriating him and giving him financial and medical aid.


The respondents should not bear the loss amidst Ville's evident failure to establish his entitlement to disability benefits due to his non-compliance with the mandatory reporting requirement under the 2010 POEA-SEC. Even though the Court is aware of Ville's plight, the law has to be followed in order not to cause injustice to the respondents.⁶⁶

WHEREFORE, the Petition for Review on *Certiorari* is **DENIED**. The assailed December 19, 2014 Decision and April 23, 2015 Resolution of the Court of Appeals in C.A.-G.R. SP No. 130257 are **AFFIRMED**. No cost.


⁶⁵ *Malicdem v. Asia Bulk Transport Phils., Inc.*, G.R. No. 224753, June 19, 2019.

⁶⁶ *Id.*

SO ORDERED.


RAMON PAUL L. HERNANDO
Associate Justice

WE CONCUR:


MARVIC M. V. F. LEONEN
Associate Justice
Chairperson



ROSMARI D. CARANDANG
Associate Justice


EDGARDO L. DELOS SANTOS
Associate Justice

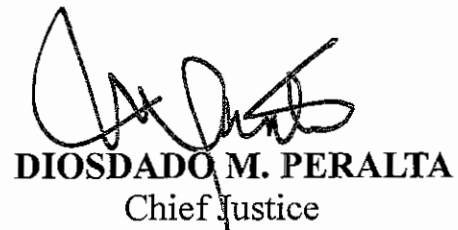

JHOSEP Y. LOPEZ
Associate Justice

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.

**MARVIC M. V. F. LEONEN**Associate Justice
Chairperson**CERTIFICATION**

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

**DIOSDADO M. PERALTA**

Chief Justice