

SUPREM	E COURT OF THE PHILIPPINES
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## Republic of the Philippines Supreme Court

### Manila SECOND DIVISION

JOSE ASPIRAS MALICDEM, Petitioner, G.R. No. 224753

Present:

- versus -

CARPIO, J., Chairperson, DEL CASTILLO\* PERLAS-BERNABE, CAGUIOA, LAZARO-JAVIER, JJ.

ASIA BULK TRANSPORT PHILS., INC., INTER-OCEAN COMPANY LIMITED (formerly OCEAN SHIPPING COMPANY) AND ERNESTO T. TUVIDA, Respondents.

Promulgated:

19 JUN 2019 \_\_\_\_dWCababaylerfectus\_\_\_\_x

#### DECISION

#### CAGUIOA, J.:

This Petition for Review on *Certiorari*<sup>1</sup> (Petition) assails the Decision<sup>2</sup> dated December 17, 2015 and Resolution<sup>3</sup> dated May 13, 2016, both of the Court of Appeals (CA) in CA-G.R. SP No. 140137, which affirmed the Decision<sup>4</sup> dated December 29, 2014 and Resolution<sup>5</sup> dated February 24, 2015, both of the National Labor Relations Commission (NLRC). The latter issuances of the NLRC, in turn, affirmed the Decision<sup>6</sup> dated September 25, 2014 of the Labor Arbiter (LA), dismissing the complaint filed by petitioner Jose Aspiras Malicdem (Malicdem) against respondents.

#### The Facts

The following facts are settled:

Designated Additional Member per Raffle dated March 13, 2019.

<sup>&</sup>lt;sup>1</sup> *Rollo*, pp. 26-65.

<sup>&</sup>lt;sup>2</sup> Id. at 67-77. Penned by Associate Justice Jose C. Reyes, Jr. (now a Member of this Court) with Associate Justices Nina G. Antonio-Valenzuela and Jhosep Y. Lopez, concurring.

<sup>&</sup>lt;sup>3</sup> Id. at 79-80.

<sup>&</sup>lt;sup>4</sup> Id at 244-254. Penned by Commissioner Romeo L. Go with Presiding Commissioner Gerardo C. Nograles and Commissioner Perlita B. Velasco, concurring.

<sup>&</sup>lt;sup>5</sup> Id. at 256-257.

<sup>&</sup>lt;sup>6</sup> Id. at 221-243. Penned by Labor Arbiter Marita V. Padolina.

On June 1, 2011, Malicdem was hired by respondent local manning agent Asia Bulk Transport Phils, Inc. (ABTPI), in behalf of its foreign principal, SKM Korea Co., Ltd.,<sup>7</sup> to board the vessel MV Yushio Princess II for a period of three (3) months. Prior to embarkation, Malicdem underwent a Pre-Employment Medical Examination (PEME) where it was noted that he had a medical history of high blood pressure and hypertension.<sup>8</sup> Nevertheless, he was declared "fit to work."<sup>9</sup>

On the second week of his duty on board MV Yushio Princess II, Malicdem suffered from blurring vision and headache. He reported his condition to the Ship Captain and was eventually seen by a doctor in Japan. Upon the doctor's recommendation, Malicdem was repatriated to Manila on October 16, 2011. The following day, he was referred to a company-designated hospital, Sachly International Health Partners, particularly to a company-designated physician, Dr. Susannah Ong-Salvador (Dr. Salvador) who eventually issued a medical report<sup>10</sup> dated October 17, 2011 that Malicdem was suffering from glaucoma.<sup>11</sup> On October 22, 2011, another medical report<sup>12</sup> was issued by Dr. Salvador stating that Malicdem was under medical treatment and recommending surgical procedure. However, the report clarified that Malicdem's glaucoma was not work-related.<sup>13</sup>

In December 2011, Malicdem underwent a PEME and was eventually issued a medical certification with recommendation that he was fit to work. He was given maintenance medicines for his hypertension.<sup>14</sup>

On December 21, 2011, Malicdem and respondents signed an employment contract with a duration of nine (9) months. On December 31, 2011, Malicdem embarked on MV Nord Liberty as Chief Engineer. On October 12, 2012, he was repatriated to the Philippines.<sup>15</sup>

According to Malicdem, while on board MV Nord Liberty, he was exposed to psychological stress for being away from his family for months; to consumption of fatty, cholesterol and sodium rich food which were part of the provisions in the vessel; to heat in the engine room emitted by ship equipment; and to frequent inhalation of diesel and hydrocarbons used as fuel for the vessel.<sup>16</sup> In October, 2012, he suffered

<sup>&</sup>lt;sup>7</sup> Id. at 245.

<sup>&</sup>lt;sup>8</sup> Id. at 283.

<sup>&</sup>lt;sup>9</sup> Id. at 245.

<sup>&</sup>lt;sup>10</sup> Id. at 206-207.

<sup>&</sup>lt;sup>11</sup> Id. at 283-284.

<sup>&</sup>lt;sup>12</sup> Id. at 208. <sup>13</sup> Id. at 284.

<sup>&</sup>lt;sup>14</sup> Id. at 68.

<sup>&</sup>lt;sup>15</sup> Id.

<sup>&</sup>lt;sup>16</sup> Id.

episodes of dizziness and blurring vision. He reported these ailments to the Ship Captain but was not referred to a doctor because the vessel was then at sea. Allegedly, on October 12, 2012, Malicdem saw a doctor in Japan.<sup>17</sup> On the same day, Malicdem was repatriated to the Philippines.<sup>18</sup>

Malicdem likewise alleges that on October 15, 2012, he reported to respondents' office and asked for referral to a company-designated physician for post-employment medical examination.<sup>19</sup> However, he was not given any referral. His medical expenses were shouldered by him without any help from respondents.<sup>20</sup> After several days of rest and medication, he re-applied for deployment with ABTPI but was no longer rehired. He remained unemployed for months.<sup>21</sup>

On March 12, 2014, Malicdem consulted a private doctor, Dr. Liberato Casison (Dr. Casison), who assessed him as "[disabled] for any work" due to his conditions.<sup>22</sup> On March 25, 2014, Malicdem filed a complaint<sup>23</sup> for disability benefits,<sup>24</sup> claiming that he is entitled to permanent and total disability benefits because his illnesses, which consist of hypertension and glaucoma, are work-related, as he was exposed to risk factors that aggravated these conditions while on-board respondents' vessel.<sup>25</sup>

On May 29, 2014, the company-designated physician, Dr. Salvador, issued a "Reply to Medical Query" listing down the risk factors of glaucoma and reiterating her findings in 2011, during Malicdem's first repatriation, that the latter's glaucoma was not work-related.<sup>26</sup>

On the other hand, respondents essentially aver that the conditions suffered by Malicdem are not work-related.<sup>27</sup> His glaucoma, specifically, had been found by the company-designated physician as being not work-related and the physician is in the best position to determine Malicdem's condition because of their expertise and the amount of time and attention devoted to his examination.<sup>28</sup> Moreover, Malicdem failed to comply with the mandatory reporting to a company-designated physician within three (3) days from disembarkation, thus, resulting to forfeiture of his claims.<sup>29</sup>

- <sup>17</sup> Id.
- <sup>18</sup> Id. at 31.
- <sup>19</sup> Id.
- <sup>20</sup> Id. at 68.
- <sup>21</sup> Id. at 68-69.
- <sup>22</sup> Id. at 32.
- <sup>23</sup> Id. at 209-210.
- <sup>24</sup> Id. at 69.
- <sup>25</sup> Id.
- <sup>26</sup> Id. at 76.
  <sup>27</sup> Id. at 287.
- <sup>28</sup> Id. at 227.
- <sup>29</sup> Id. at 304.

#### Ruling of the LA

In a Decision dated September 25, 2014, the LA dismissed Malicdem's complaint for lack of merit, disposing of the case in the following manner:

WHEREFORE, premises considered, the instant complaint is **DISMISSED** for lack of merit. However, respondents Asia Bulk Transport Phils, Inc. and Inter Ocean Company Limited (formerly Ocean Shipping Company) is ordered to give complainant financial assistance in the amount of Fifty Thousand Pesos (P50,000.00) for humanitarian consideration.

#### **SO ORDERED.**<sup>30</sup>

The LA held that Malicdem failed to substantiate his allegations that he suffered hypertension while on board MV Nord Liberty; hence, said illness cannot be compensable for failing to satisfy the conditions under the Philippine Overseas Employment Administration Standard Employment Contract (POEA-SEC).<sup>31</sup> As for his glaucoma, the LA held that Malicdem failed to prove that said illness was directly caused or aggravated by his employment.<sup>32</sup> The LA likewise noted that Malicdem failed to comply with the three (3)-day mandatory reportorial requirement under Section 20(A)(3) of the POEA-SEC.<sup>33</sup> For humanitarian considerations, however, the LA awarded Malicdem financial assistance in the amount of ₱50,000.00.<sup>34</sup>

Malicdem appealed to the NLRC.

Ruling of the NLRC

In a Decision dated December 29, 2014, the NLRC affirmed the LA's Decision and dismissed Malicdem's petition for lack of merit, disposing of the case as follows:

**WHEREFORE**, the labor arbiter's Decision dated September 25, 2014 is affirmed and the instant appeal dismissed for lack of merit.

#### SO ORDERED.35

The NLRC ruled that Malicdem failed to adduce proof of reasonable connection between his work as a chief engineer and the glaucoma he had contracted.<sup>36</sup> According to the NLRC, there is all the more a need for proof of work-connection because relevant medical literature suggests that glaucoma is brought about by several factors other than the purported

<sup>&</sup>lt;sup>30</sup> Id. at 242-243.

<sup>&</sup>lt;sup>31</sup> Id. at 239-240.

<sup>&</sup>lt;sup>32</sup> Id. at 239.

<sup>&</sup>lt;sup>33</sup> Id. at 241.

<sup>&</sup>lt;sup>34</sup> Id. at 242.

<sup>&</sup>lt;sup>35</sup> Id. at 254.

<sup>&</sup>lt;sup>36</sup> Id. at 251.

"physical and emotional" strains, such as aging, race and family history. To easily attribute glaucoma to Malicdem's physical and emotional strains at work is to oversimplify the matter.<sup>37</sup> Anent Malicdem's hypertension, the NLRC ruled that he failed to satisfy the requirements for compensability of this disease under Section 32(A)(20) of the POEA-SEC.<sup>38</sup>

Malicdem filed a Motion for Reconsideration which was, however, denied in a Resolution of the NLRC dated February 24, 2015.<sup>39</sup> This prompted Malicdem to file a Petition for *Certiorari*<sup>40</sup> before the CA.

#### Ruling of the CA

In the assailed Decision, the CA dismissed Malicdem's petition for certiorari, thereby finding no grave abuse of discretion on the part of the NLRC for affirming the LA's ruling, to wit:

In view of these considerations, the Court finds no grave abuse [of discretion] on the part of the NLRC in affirming the Labor Arbiter's ruling and in subsequently denying petitioner's motion for reconsideration.

WHEREFORE, the petition is **DISMISSED** for lack of merit.

#### **SO ORDERED.**<sup>41</sup>

According to the CA, the LA's and the NLRC's findings are supported by substantial evidence. The records are bereft of any showing that the documents required to be presented in compensation cases for hypertension under Section 32(A)(20) of the POEA-SEC were presented by Malicdem.<sup>42</sup> His bare claim that the food provisions on board the vessel exacerbated his hypertension is insufficient.<sup>43</sup> As for his glaucoma, the CA held that Malicdem cannot rely merely on the disputable presumption of work-relatedness provided under Section 20(B). He still had the burden to present substantial evidence that his working conditions caused or increased the risk of contracting the disease.<sup>44</sup> Malicdem failed to discharge this burden. On the contrary, the company-designated physician, Dr. Salvador, issued findings during Malicdem's first repatriation and after examining his condition, that his glaucoma is a non-work related condition.<sup>45</sup>

Malicdem filed a Motion for Reconsideration<sup>46</sup> which was denied in the assailed Resolution dated May 13, 2016.

<sup>38</sup> Id. at 253.

<sup>39</sup> Id. at 286.

<sup>46</sup> Id. at 81-89.

<sup>&</sup>lt;sup>37</sup> Id at 251-252, citing Debaudin v. Social Security System, 560 Phil. 72, 81-82 (2007).

<sup>&</sup>lt;sup>40</sup> Id. at 259-277.

<sup>&</sup>lt;sup>41</sup> Id. at 20-21.

<sup>&</sup>lt;sup>42</sup> Id. at 75.

<sup>&</sup>lt;sup>43</sup> Id.
<sup>44</sup> Id. at 76.

<sup>&</sup>lt;sup>45</sup> Id.

Refusing to concede and after filing a *Motion for Extension of Time to File Petition for Review on Certiorari*,<sup>47</sup> Malicdem filed the present *Petition*, raising the following <u>issues</u>:

- 1. WHETHER OR NOT THE HONORABLE COURT OF APPEALS 5<sup>TH</sup> DIVISION COMMITTED A REVERSIBLE ERROR IN AFFIRMING THE DECISION OF THE HONORABLE NLRC 1<sup>ST</sup> DIVISION;
- 2. WHETHER OR NOT FAILURE TO COMPLY WITH THE MANDATORY THREE [3] DAY REPORTORIAL REQUIREMENT UNDER SECTION 20 [A] [3] OF THE 2010 POEA-SEC WILL RESULT IN THE FORFEITURE OF DISABILITY CLAIMS;
- **3. WHETHER OR NOT THE DISPUTABLE PRESUMPTION UNDER SECTION 20 [A] [4] OF THE 2010 POEA-SEC WORKS IN THE SEAFARER'S FAVOR;**
- 4. WHETHER OR NOT PETITIONER IS TOTALLY AND PERMANENTLY DISABLED; and
- 5. WHETHER OR NOT PETITIONER IS ENTITLED TO SICKNESS ALLOWANCE, DAMAGES AND ATTORNEY'S FEE.<sup>48</sup>

#### The Court's Ruling

The fundamental issue that the Court must resolve is whether Malicdem is entitled to total and permanent disability benefits.

He is not.

For disability to be compensable under Section 20(A) of the Amended Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers on-Board Ocean-Going Ships issued on October 26, 2010 (2010 POEA-SEC),<sup>49</sup> two (2) 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.<sup>50</sup> Relevantly, the 2010 POEA-SEC defines "[w]ork-[r]elated illness" as "any sickness as a result of an occupational disease listed under Section 32-A of [the] Contract with the conditions set therein satisfied."<sup>51</sup> As for those diseases not listed as occupational diseases, jurisprudence mandates that the same may be

<sup>&</sup>lt;sup>47</sup> ld. at 3-9.

<sup>&</sup>lt;sup>48</sup> Id. at 33-34.

 <sup>&</sup>lt;sup>49</sup> 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 (Emphasis supplied)

<sup>&</sup>lt;sup>50</sup> De Leon v. Maunlad Trans, Inc., 805 Phil. 531, 539 (2017).

<sup>&</sup>lt;sup>51</sup> 2010 POEA-SEC, Definition of Terms (16).

compensated if it is shown that they are work-related and the conditions for compensability are satisfied.<sup>52</sup>

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Moreover, Section  $20(A)(3)^{53}$  of the POEA-SEC commands that the employee seeking disability benefits submit himself to post-employment medical examination by a company-designated physician within three (3) working days from his repatriation.

Thus, in situations where the seafarer seeks to claim the compensation and benefits that Section 20(A) of the POEA-SEC grants to him, the law requires the seafarer to prove that: (1) he suffered an illness; (2) he suffered this illness during the term of his employment contract; (3) he complied with the procedures prescribed under Section 20(A)(3); (4) his illness is one of the enumerated occupational disease or that his illness or injury is otherwise work-related; and (5) he complied with the four conditions enumerated under Section 32(A) for an occupational disease or a disputably-presumed work-related disease to be compensable.<sup>54</sup>

The degree of proof required in compensation cases is substantial evidence or that amount of relevant evidence which a reasonable mind might accept as adequate to justify the conclusion.<sup>55</sup> Substantial evidence is more than a mere scintilla. The evidence must be real and substantial, and not merely apparent.<sup>56</sup> The rule is that whoever claims entitlement to the benefits provided by law should establish his or her right thereto by substantial evidence.<sup>57</sup>

Applying the foregoing guidelines, the Court cannot grant Malicdem's Petition. He failed to discharge his burden to prove, by substantial evidence,

See Romana v. Magsaysay Maritime Corporation, G.R. No. 192442, August 9, 2017, 836 SCRA 151.
 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:

хххх

<sup>3.</sup> In addition to the above obligation of the employer to provide medical attention, the seafarer shall also receive sickness allowance from his employer x x x

хххх

For this purpose, the seafarer shall submit himself to 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 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. (Emphasis and underscoring supplied)

<sup>&</sup>lt;sup>54</sup> Aldaba v. Career Philippines Ship-Management, Inc., 811 Phil. 486, 498 (2017).

<sup>&</sup>lt;sup>55</sup> Legal Heirs of the Late Edwin B. Deauna v. Fil-Star Maritime Corp., 688 Phil. 582, 591 (2012).

<sup>&</sup>lt;sup>56</sup> See id. at 592.

<sup>&</sup>lt;sup>57</sup> Jebsens Maritime, Inc. and/or Alliance Marine Services, Ltd. v. Undag, 678 Phil. 938, 946-947 (2011), citing Cootauco v. MMS Phil. Maritime Services, Inc., 629 Phil. 506, 519 (2010); Wallem Maritime Services, Inc. v. Tanawan, 693 Phil. 416, 430 (2012); Andrada v. Agemar Manning Agency, Inc., 698 Phil. 170, 184 (2012).

satisfaction of items (3), (4) and (5) of the above mandatory requirements for compensability.

Malicdem reneged on his duty to submit to a post-employment medical examination within three (3) working days from his repatriation. As a consequence, he effectively forfeited his right to claim disability benefits under the POEA-SEC.

The LA found that Malicdem failed to report to ABPTI within three (3) working days from his repatriation for post-employment medical examination by ABPTI's designated physician.<sup>58</sup> This does not appear to be contested by Malicdem, despite his contrary narration of facts in the present Petition; instead, he brings to the court the legal question of whether such failure to comply with the POEA-SEC's reporting requirement results in the forfeiture of his claim for disability benefits.

Section 20(A)(3) of the POEA-SEC requires a claiming seafarer to submit himself for medical examination within a three-day period post-repatriation, to wit:

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:

хххх

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. x x x

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For this purpose, the seafarer shall submit himself to a postemployment 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. (Emphasis and underscoring supplied)

Malicdem posits in his Petition that, assuming he failed to report to ABPTI for the mandatory post-employment medical examination within three (3) working days from repatriation, such does not prejudice his claim for disability benefits. This is because the mandatory post-employment medical examination pertains only to the entitlement of the seafarer to sickness allowances and nothing more.<sup>59</sup>

This argument is untenable. Jurisprudence<sup>60</sup> abounds holding that failure to comply with the mandatory reporting requirement under the POEA-SEC results in the forfeiture of the right to claim compensation and disability benefits of a seafarer. This is the categorical ruling of the Court in *Coastal Safeway Marine Services, Inc. v Esguerra*,<sup>61</sup> thus:

x x x Anent a seafarer's entitlement to compensation and benefits for injury and illness, Section 20-B (3) thereof provides as follows:

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The foregoing provision has been interpreted to mean 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. Concededly, this does not mean that the assessment of said physician is final, binding or conclusive on the claimant, the labor tribunal or the courts. Should he be so minded, the seafarer has the prerogative to request a second opinion and to consult a physician of his choice regarding his ailment or injury, in which case the medical report issued by the latter shall be evaluated by the labor tribunal and the court, based on its inherent merit. **For the seaman's claim to prosper, however, it is mandatory that he should be examined by a company-designated physician within three days from his repatriation. Failure to comply with this mandatory reporting requirement without justifiable cause shall result in forfeiture of the right to claim the compensation and** 

<sup>&</sup>lt;sup>59</sup> Id. at 48-49.

See Jebsens Maritime, Inc. and/or Alliance Marine Services, Ltd. v. Undag, supra note 57; Crew and Ship Management International, Inc. v. Soria, 700 Phil. 598, 610 (2012); Loadstar International Shipping Inc. v. The Heirs of the Late Enrique C. Calawigan, 700 Phil. 419, 430-431 (2012); Ricasata v. Cargo Safeway Inc., 784 Phil. 158, 169 (2016); De Andres v. Diamond H Marine Services & Shipping Agency, Inc., G.R. No. 217345, July 12, 2017, 831 SCRA 129; Musnit v. Sea Star Shipping Corporation, 622 Phil. 772 (2009); Cootauco v. MMS Phil. Maritime Services, Inc., supra note 57.
 671 Phil. 56 (2011).

# disability benefits provided under the POEA-SEC.<sup>62</sup> (Emphasis supplied)

In fact, a belated submission of the seafarer to the company for postemployment medical examination has been held to be insufficient compliance with the reporting requirement and, hence, fatal to the seafarer's case. In *Musnit v. Sea Star Shipping Corporation*,<sup>63</sup> the seafarer reported to the company for medical examination only after seven (7) months from repatriation. Similarly, in *Cootauco v. MMS Phil. Maritime Services, Inc.*,<sup>64</sup> the seafarer-claimant submitted himself to the company for postemployment examination only after fifteen (15) months after arrival in the Philippines. In both cases, the Court denied the claim for disability benefits for failure to comply with the mandatory three (3) working days period.

In Jebsens Maritime, Inc. and/or Alliance Marine Services, Ltd. v. Undag,<sup>65</sup> the Court explained the rationale for the three-day mandatory requirement, thus:

x x x The rationale behind the rule can easily be divined. <u>Within</u> three days from repatriation, it would be fairly easier for a physician to determine if the illness was work-related or not. After that period, there would be difficulty in ascertaining the real cause of the illness.

To ignore the rule would set a precedent with negative repercussions because it would open the floodgates to a limitless number of seafarers claiming disability benefits. It would certainly be unfair to the employer who would have difficulty determining the cause of a claimant's illness considering the passage of time. In such a case, the employers would have no protection against unrelated disability claims.<sup>66</sup> (Emphasis and underscoring supplied)

Likewise, reporting to the company within three (3) days from repatriation is required so that the company-designated physician can promptly arrive at a medical diagnosis, considering that he has either 120 or 240 days,<sup>67</sup> depending on the circumstances, within which to complete the

**SECTION 2.** 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 <u>120 consecutive days</u> except where such injury or sickness still requires medical attendance beyond 120 days but not to exceed <u>240 days</u> 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. (Underscoring supplied)

<sup>&</sup>lt;sup>62</sup> Id. at 65-66.

<sup>&</sup>lt;sup>63</sup> Supra note 60, at 780.

<sup>&</sup>lt;sup>64</sup> Supra note 57.

<sup>65</sup> Id.

<sup>&</sup>lt;sup>66</sup> Id. at 948-949.

<sup>&</sup>lt;sup>67</sup> Under Article 192(c)(1) of the Labor Code, permanent total disability includes temporary total disability lasting continuously for <u>more than one hundred twenty (120) days</u>, except as otherwise provided in the Rules. The rule adverted to is Section 2, Rule X of the Amended Rules on Employees' Compensation, implementing Book IV of the Labor Code, which states:

assessment of the seafarer; otherwise, the disability claim should be granted.<sup>68</sup>

Hence, it is clear that the reporting requirement is indispensable, not only in claiming sickness allowance, as Malicdem suggests, but likewise in claiming compensation and disability benefits under the POEA-SEC. Stated otherwise, non-submission to the company by the seafarer for postemployment medical examination within three (3) working days from repatriation results in the forfeiture of his compensation and disability claims.

Notably, the mandatory requirement does admit of exceptions, namely: (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.<sup>69</sup> None of these, however, is proven or even alleged to obtain in the present case.

Hence, for failing to comply with the three-day reporting requirement, Malicdem had forfeited his right to claim disability benefits as expressly provided under Section (20)(A)(3) of the POEA-SEC.

Malicdem failed to present substantial evidence that his glaucoma and hypertension are compensable.

At any rate, even if the Court excuses Malicdem's failure to comply with the reporting requirement as discussed above, the petition must still fail because he failed to substantially prove that his illnesses are compensable.

At the outset, it must be stated that the issue of whether Malicdem's illnesses are work-related and compensable is essentially factual<sup>70</sup> and not reviewable by the Court on Rule 45 petitions, save for some exceptions.<sup>71</sup> However, inasmuch as 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, these findings are only binding when supported by substantial evidence.<sup>72</sup>

On this note, the Court confirms that the findings of the herein labor tribunals, as affirmed by the CA, that Malicdem's illnesses — hypertension and glaucoma — are not compensable under the POEA-SEC are correct and

<sup>&</sup>lt;sup>68</sup> De Andres <sup>§</sup>. Diamond H Marine Services & Shipping Agency, Inc., supra note 60, at 144.

<sup>&</sup>lt;sup>69</sup> Id. at 146-147.

See Montoya v. Transmed Manila Corp., 613 Phil. 696 (2009).
 See De Leon v. Maunlad Trans. Inc. Supra note 50, at 538-539.

<sup>&</sup>lt;sup>71</sup> See De Leon v. Maunlad Trans, Inc., supra note 50, at 538-539.

<sup>&</sup>lt;sup>72</sup> See Skippers United Pacific, Inc. v. NLRC, 527 Phil. 248, 256-257 (2006).

properly supported by substantial evidence on record. However, a number of clarifications must be made.

First of all, both the NLRC and the CA treated Malicdem's hypertension as a listed occupational disease, citing Section 32(A)(20) of the 2000 POEA-SEC which provides:

#### 20. Essential Hypertension.

Hypertension classified as primary or essential is considered compensable if it causes impairment of function of body organs like kidneys, heart, eyes and brain, resulting in permanent disability; Provided, that the following documents substantiate it: (a) chest x-ray report, (b) ECG report, (c) blood chemistry report, (d) funduscopy report, and (e) C-T scan.

However, the foregoing provision no longer appears in the 2010 POEA-SEC which applies in the present case. In other words, under the 2010 POEA-SEC, Malicdem's hypertension is no longer a listed occupational disease.

In this light, both of Malicdem's claimed illnesses — hypertension and glaucoma — are non-listed occupational diseases under the applicable contract, *i.e.*, the 2010 POEA-SEC. Nevertheless, they may be compensable subject to the parameters laid down by jurisprudence and the POEA-SEC.

Section 20(A)(4) of the 2010 POEA-SEC creates a disputable presumption that illnesses not listed as an occupational disease in Section 32 are work-related. This disputable presumption is made in the law to signify that the non-inclusion in the list of compensable diseases/illnesses does not translate to an absolute exclusion from disability benefits. At the same time, however, this disputable presumption does not signify an automatic grant of compensation and/or benefits claim.<sup>73</sup>

Hence, despite the presumption, the Court has held that, on due process grounds, the claimant-seafarer must still prove by substantial evidence that his work conditions caused or, at least, increased the risk of contracting the disease, as awards of compensation cannot rest entirely on bare assertions and presumptions.<sup>74</sup> In this light, the claimant must prove, not that his illness is work-related, but that the same is ultimately compensable by satisfying the conditions for compensability under Section 32(A) of the 2000 POEA-SEC, *to wit*:

For an occupational disease and the resulting disability or death to be compensable, **all** of the following conditions must be satisfied:

1) The seafarers work must involve the risks described herein;

<sup>&</sup>lt;sup>73</sup> See Jebsen Maritime, Inc. v. Ravena, 743 Phil. 371, 388 (2014).

<sup>&</sup>lt;sup>74</sup> De Leon v. Maunlad Trans, Inc., supra note 50, at 540.

- The disease was contracted as a result of the seafarer's exposure to the described risks;
- 3) The disease was contracted within a period of exposure and under such other factors necessary to contract it; and

4) There was no notorious negligence on the part of the seafarer. (Emphasis and underscoring supplied)

Applying the foregoing, the Court finds that the CA, NLRC, and LA were correct in finding that Malicdem is not entitled to disability benefits for his hypertension and glaucoma.

On his hypertension, Malicdem failed to substantially prove that the same was contracted due to, or aggravated by, the conditions of his work on board the vessel. As found by the LA, NLRC and CA, the bare allegations of Malicdem that the sodium-rich food, physical and psychological stress and other emergencies on board the ship caused the exacerbation of his hypertension, is insufficient.<sup>75</sup> The Court likewise notes that the opinion of Dr. Casison, Malicdem's private doctor, did not even explain the cause of Malicdem's hypertension or attempt to connect the same to his work conditions.<sup>76</sup> Moreover, there is no showing that he suffered hypertension while on board the vessel.<sup>77</sup> These are factual findings of the labor tribunals and the CA which appear to be supported by substantial evidence; hence must be accorded not only respect but finality.<sup>78</sup>

As for Malicdem's glaucoma, he claims that his duties and responsibilities as Chief Engineer,<sup>79</sup> his exposure to the sea breeze and other elements of nature while the vessel is in open seas, the stress from his strenuous job and his emotional strain from homesickness aggravated his glaucoma.<sup>80</sup> These propositions were rejected by the labor tribunals and the CA. As factually found by the NLRC, Malicdem presented no competent medical history, records or physician's report to objectively substantiate the claim that there is a reasonable connection between his work and his glaucoma.<sup>81</sup> What he has are bare allegations which fall far short of the substantial evidence required of him by law.<sup>82</sup> The Court finds no cause to overturn such findings. Factual findings of labor officials, who are deemed to have acquired expertise in matters within their respective jurisdiction, are accorded not only respect but even finality, and bind the Court when supported by substantial evidence.<sup>83</sup>

<sup>75</sup> *Rollo*, p. 75.

<sup>&</sup>lt;sup>76</sup> Id. at 297-298.

<sup>&</sup>lt;sup>77</sup> Id. at 297.

<sup>&</sup>lt;sup>78</sup> See Nahas v. Olarte, 734 Phil. 569, 580 (2014).

<sup>&</sup>lt;sup>79</sup> *Rollo*, pp. 40-41.

<sup>&</sup>lt;sup>80</sup> Id. at 251.

<sup>&</sup>lt;sup>81</sup> Id.

<sup>&</sup>lt;sup>82</sup> See Maersk-Filipinas Crewing, Inc. v. Malicse, G.R. No. 200576 & 200626, November 20, 2017, 845 SCRA 69. <sup>(4)</sup>

<sup>&</sup>lt;sup>83</sup> New City Builders, Inc. v. NLRC, 499 Phil. 207, 212 (2005).

Likewise weighing against Malicdem's case is the medical report of the company-designated physician, Dr. Salvador, issued soon after Malicdem's first repatriation in 2011, that <u>his glaucoma was not work</u> <u>related.</u><sup>84</sup> Dr. Salvador subsequently issued another report,<sup>85</sup> in reply to a query arising from Malicdem's latest repatriation (which is the subject of the present case), listing down the major risk factors for glaucoma. These factors do not include exposure to sea breeze and the other matters alleged by Malicdem to have aggravated his condition. <u>In the latter report, Dr.</u> <u>Salvador reiterated her 2011 opinion that Malicdem's glaucoma is not</u> <u>work-related</u>.<sup>86</sup>

Notably, while Dr. Salvador's findings in 2011 pertain to Malicdem's glaucoma during his previous employment with ABPTI, and, hence, not binding in the present case, the same must nevertheless be given reasonable weight and credence in light of the settled jurisprudence that it is the company-designated physician who is entrusted with the task of assessing a seafarer's illness for purposes of claiming disability benefits.<sup>87</sup> Jurisprudence is likewise replete with cases where the Court upheld the findings of the company-designated physicians as against those of the private physician hired by the seafarer-claimant, because the former devoted more attention and time in observing and treating the claimant's condition.<sup>88</sup>

In this case, Malicdem was assessed by the company-designated physician on his glaucoma immediately after his first repatriation. He was not, however, assessed by ABPTI's doctors after his latest repatriation because, as found by the labor tribunals and the CA, he failed to report to ABPTI. Instead, Malicdem sought the advice of a private physician, but only after more than a year from his latest arrival in the country. He likewise failed to show that his private doctor's findings were reached based on an extensive or comprehensive examination of his condition.<sup>89</sup>

Finally, as found by the LA, when Malicdem was repatriated, his contract with ABPTI was already finished.<sup>90</sup> This already weighs strongly against his claims. The Court had, in the past, ruled that repatriation for an expired contract belies a seafarer's submission that his ailment was aggravated by his working conditions and that it was existing during his term of employment.<sup>91</sup>

In sum, Malicdem cannot be awarded the total and permanent disability benefits that he seeks. He breached his contractual obligation to

<sup>86</sup> Id.

<sup>&</sup>lt;sup>84</sup> *Rollo*, p.76.

<sup>&</sup>lt;sup>85</sup> 1d. at 211.

<sup>&</sup>lt;sup>87</sup> See Coastal Safeway Marine Services Inc. v. Esguerra, supra note 61, at 65.

See Espere v. NFD International Manning Agents, Inc., G.R. No. 212098, July 26, 2017, 833 SCRA 156, 173; Magsaysay Maritime Corp. and/or Dela Cruz v. Velasquez, 591 Phil. 839, 850 (2008).

<sup>&</sup>lt;sup>89</sup> *Rollo*, p. 69.

<sup>&</sup>lt;sup>90</sup> Id. at 233.

<sup>&</sup>lt;sup>91</sup> Villanueva, Sr. v. Baliwag Navigation, Inc., 715 Phil. 299, 303 (2013).

submit to a company-designated physician within the required period and failed to prove, by substantial evidence, the compensability of his illnesses. In this light, the Court finds no further need to discuss the other issues raised in the Petition.

As a final word, it is true that the beneficent provisions of the POEA-SEC are liberally construed in favor of seafarers.<sup>92</sup> This exhortation cannot, however, be taken to sanction the award of compensation and disability benefits in the face of evident failure to substantially establish compensability and unjustified non-compliance with the mandatory reporting requirement under the POEA-SEC. Hence, while the Court commiserates with Malicdem, it cannot grant his claims, lest a clear injustice be caused to ABPTI.

WHEREFORE, premises considered, the instant petition for review is hereby **DENIED**. The Decision dated December 17, 2015 and the Resolution dated May 13, 2016 of the Court of Appeals in CA-G.R. SP No. 140137 are AFFIRMED.

#### SO ORDERED.

S. CAGUIOA ALFREE sociate ice

WE CONCUR:

ANTONIO T. CARPIO Associate Justice Chairperson

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MARIANO C. DEL CASTILLO Associate Justice

ESTELA M. PERLAS-BERNABE Associate Justice

<sup>92</sup> See Hermogenes v. Osco Shipping, Services, Inc., 504 Phil. 564, 572 (2005).

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#### 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 Associate Justice Chairperson, Second Division

#### 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.

Chief