



SUPREME COURT OF THE PHILIPPINES
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Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

DIONESIO PETIPIT, JR.,

Petitioner,

G.R. No. 247970

Present:

- versus -

GESMUNDO, C.J.,
Chairperson,
CAGUIOA,
CARANDANG,
ZALAMEDA, and
GAERLAN, JJ.

CROSSWORLD MARINE
SERVICES, INC., AND/OR IASON
HELLENIC SHIPPING COMPANY,
LTD., AND/OR ROMANCITO A.
MENDOZA

Respondents.

Promulgated:

JUL 14 2021

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DECISION

CARANDANG, J.:

Before this Court is a Petition for Review on *Certiorari*¹ under Rule 45 of the Rules of Court assailing the Decision² dated March 7, 2019 and Resolution³ dated June 21, 2019 of the Court of Appeals (CA) in CA-G.R. SP No. 143542. The CA affirmed the findings of the National Labor Relations Commission (NLRC) in the latter's Decision dated August 28, 2015 that petitioner Dionesio Petipit, Jr. was not entitled to total and permanent disability benefits because Prostate Enlargement is not a work-related illness.⁴ The NLRC affirmed the Decision dated April 30, 2015 of the Labor Arbiter (LA) in NLRC Case No. (M)12-15205-14.⁵

¹ Rollo, pp. 16-28.

² Penned by Associate Justice Myra V. Garcia-Fernandez with the concurrence of Associate Justices Apolinario D. Bruselas, Jr. and Geraldine C. Fiel-Macaraig; id. at 34-43.

³ Id. at 45-46.

⁴ Id. at 37.

⁵ Id. at 34.

Facts of the Case

Dionesio Petipit Jr. (Dionesio) started working for Crossworld Marine Services Inc. (Crossworld) in 2004. On March 27, 2014, respondents Crossworld and Iason Hellenic Shipping Company Ltd. (collectively, respondents), as agent and foreign principal, respectively, employed Dionesio who was fifty-two years old⁶ at that time.⁷

The following are the terms and conditions of Dionesio's employment:

Duration of Contract:	9 months (+/- 2 upon mutual consent of both parties)
Position:	Oiler
Basic Monthly Salary:	USD 545.00
Hours of Work:	48 hrs./week
Fixed Overtime:	US \$294.00 in excess of 104 hours at USD 3.28
Leave Pay:	US \$82.00 per month
Supplementary Wages:	US \$129.00
Extra Wages:	US \$ N/A
Total:	US \$1,050.00
Point of Hire:	Makati City, Philippines
CBA Reference No. (as applicable)	N/A ⁸

Before Dionesio was deployed, he underwent a pre-employment medical examination (PEME) where he was declared "fit for sea duty".⁹ On June 7, 2014, Dionesio boarded the vessel MV "Caravos Glory."¹⁰ His duty and responsibilities as an oiler involve "maintaining, cleaning and, operating ship engine parts, including blowers, compressors, motors, gears, ejectors and other equipment, operating the lubricant filtering and purifying equipment and keeping logs of the oiling."¹¹

On June 28, 2014, Dionesio experienced hypogastric pain and difficulty in urination. According to Dionesio, he felt severe pain in his groin after he helped the Chief Engineer pull out three heavy pistons to overhaul the engine of the vessel. Dionesio told his Captain about the pain. He was merely advised to drink a lot of water.¹²

Two days after, the pain worsened. He experienced hardening of the stomach and painful urination. On July 1, 2014, Dionesio was airlifted and brought to a hospital in Japan where he underwent several tests. He was told that he needed to extend his stay in the hospital for two weeks. However, the

⁶ Id. at 33.

⁷ Id. at 19, 35, 60.

⁸ Id. at 60.

⁹ Id. at 19.

¹⁰ Id. at 19, 60.

¹¹ Id. at 64.

¹² Id. at 19-20, 35, 60.

9

respondents refused.¹³

On July 8, 2014, Dionesio was repatriated and referred to the company-designated physicians at the International Health Aide Diagnostic Services, Inc. (IHADS).¹⁴ On July 11, 2014, Dionesio was diagnosed with Prostate Enlargement that required surgical resection of the prostate. The kidney biopsy as well as the kidney and urinary bladder ultrasound showed normal results. Dionesio likewise did not declare any abnormalities. The company-designated physician assessed that Dionesio's illness is pre-existing and not work-related. On this basis, the respondents declined to shoulder the cost for Dionesio's surgery.¹⁵

Consequently, Dionesio had to continue with his medications and treatment at his own expense. His illness also prevented him from engaging in any gainful occupation since his repatriation. On December 11, 2014, Dionesio filed a complaint for total and permanent disability benefits, sickness allowance, reimbursement of medical and hospital expenses, moral and exemplary damages and attorney's fees against respondents.¹⁶

Ruling of the Labor Arbiter

The Labor Arbiter dismissed the complaint. The LA gave credence to the company-designated physician's finding that Dionesio's Prostate Enlargement is not work-related. According to the LA, Dionesio merely showed that he satisfactorily passed the PEME and was later on repatriated due to a medical condition. He, however, failed to establish that his working conditions caused or at least aggravated his illness.¹⁷

Ruling of the National Labor Relations Commission

On appeal, the NLRC issued a Decision affirming the LA Decision. According to the NLRC, Dionesio's complaint for disability benefits was properly dismissed on the following grounds: (1) the company-designated physician declared Dionesio's illness as not work-related; (2) Dionesio failed to refute this finding by presenting a contrary opinion; and (3) medical studies show that Prostate Enlargement is age and gender related, not affected by diet, lifestyle and the nature of one's work. Dionesio moved for a reconsideration of the Decision of the NLRC but was denied through a Resolution dated October 22, 2015.¹⁸

Ruling of the Court of Appeals

Dionesio filed a petition for *certiorari* before the CA. In a Decision¹⁹

¹³ Id. at 20, 35.

¹⁴ Id. at 35.

¹⁵ Id. at 61-63.

¹⁶ Id. at 35.

¹⁷ Id. at 36-37.

¹⁸ Id. at 37-38.

¹⁹ Supra note 2.

dated March 7, 2019, the CA dismissed the petition for lack of merit. In affirming the labor tribunals, the CA ruled that the presumption of work-related illness does not stand in this case because the employer successfully proved by substantial evidence that the illness suffered by the seafarer was contracted outside of his work and that none of the conditions of his work affected the risk of contracting or aggravating such illness.²⁰ The Motion for Reconsideration²¹ filed by Dionesio was also denied by the CA in its Resolution²² dated June 21, 2019.

Proceedings before this Court

Undaunted, Dionesio filed this Petition for Review on *Certiorari* before the Court alleging that the CA committed serious errors of law in upholding the Decision of the NLRC.²³

Petitioner's Arguments

Dionesio maintains that total and permanent disability benefits should be awarded in his favor because his illness incapacitated him from working again as a seafarer since 2014. It has been more than 240 days from Dionesio's repatriation and he still continues to suffer from his illness, hence, he is entitled to total and permanent disability benefits.²⁴ Dionesio further prays for moral and exemplary damages, and attorney's fees.²⁵

Respondent's Arguments

In their Comment,²⁶ respondents contend that Dionesio did not perform any activity as an Oiler which would result, relate or aggravate his illness. Respondents also pointed out that since there is no second opinion to refute the company-designated physician's finding, Dionesio pre-empted the mandated procedure under the 2010 Amended Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers On-Board Ocean-Going Ships (2010 POEA-SEC) when he immediately filed a complaint.²⁷ Lastly, the company-designated physician's assessment that Dionesio's illness is not work-related was issued within the 120-day period. Dionesio was repatriated on July 8, 2014 while the assessment was issued on July 11, 2014.²⁸

²⁰ *Rollo*, pp. 41 – 42.
²¹ *Id.* at 47-55.
²² *Supra* note 3.
²³ *Rollo*, p. 17.
²⁴ *Id.* at 22-27.
²⁵ *Id.* at 27-28.
²⁶ *Id.* at 59-76.
²⁷ *Id.* at 63, 70.
²⁸ *Id.* at 72.



Issue

The principal issue for resolution is whether Dionesio's Prostate Enlargement is work-related and compensable, thereby entitled to disability benefits.

Ruling of the Court

The petition is meritorious.

Work-relation and Compensability

The entitlement of seafarers on overseas work to disability benefits is a matter governed, not only by medical findings, but by law and by contract. The material statutory provisions are Articles 197 to 199 of the Labor Code in relation to Section 2(a), Rule X of the Amended Rules on Employee Compensation.²⁹ By contract, the Philippine Overseas Employment Administration Standard Employment Contract (POEA-SEC) must be integrated with every agreement between a seafarer and his employer. Dionesio's latest employment contract with respondents was executed on March 27, 2014³⁰ and is covered by the 2010 POEA-SEC.³¹

Section 20(A)(4) of the 2010 POEA-SEC provides for a disputable presumption of work-relation of illnesses not listed under Section 32 thereof. The Court discussed this disputable presumption in the case of *Ventis Maritime Corporation v. Salenga*,³² viz.:

The disputable presumption of work-relatedness provided in paragraph 4 above arises only if or when the seafarer suffers from an illness or injury during the term of the contract and the resulting disability is not listed in Section 32 of the POEA-SEC. That paragraph 4 above provides for a disputable presumption because the injury or illness is suffered while working at the vessel. Thus, or stated differently, it is only when the illness or injury manifests itself during the voyage and the resulting disability is not listed in Section 32 of the POEA-SEC will the disputable presumption kick in. This is a reasonable reading inasmuch as, at the time the illness or injury manifests itself, the seafarer is in the vessel, that is, under the direct supervision and control of the employer, through the ship captain.³³

In the case of Dionesio, the disputable presumption applies. Since he suffered an illness during the course of his employment with respondents, this gives rise to the presumption that his illness is work-related, although

²⁹ *Trans-Global Maritime Agency, Inc. v. Utanes*, G.R. No. 236498, September 16, 2020.

³⁰ *Rollo*, p. 60.

³¹ POEA Memorandum Circular No. 10, Series of 2010.

³² G.R. No. 238578, June 8, 2020.

³³ *Id.*

9

not listed under Section 32 of the 2010 POEA-SEC.

Notwithstanding, respondents contend that Dionesio's illness was not work-related, to wit:

Patient's illness is pre-existing and not work-related. Prostate disease is not listed in the POEA Occupational Diseases list. Hormones, advanced age, and family history are the risk factors for prostate enlargement. The mentioned risk factors do not include his work as seafarer to cause Prostate Disease.³⁴

Note, however, that the disputable presumption of work-relation under Section 20(A)(4) of the POEA-SEC favors the seafarer. When the seafarer's illness or injury is suffered during the term of the contract, as in this case of Dionesio, the seafarer need not further prove that his work conditions caused or at least increased the risk of illness or injury for the presumption to apply. The statutory presumption stands unless refuted by the employer company. In other words, the seafarer will only be burdened to prove the work-relation when the employer overcomes the presumption.

In turn, the employer can only overcome this presumption of work-relation if there is a sufficient basis to support the assessment that the seafarer's illness was not work-related. The mere finding that the illness is not work-related is not automatically a valid medical assessment. This Court has previously disregarded the findings of company-designated physicians for being incomplete, doubtful, clearly biased in favor of an employer, or for lack of finality.³⁵ In *Monana v. MEC Global Shipmanagement and Manning Corporation*,³⁶ this Court further stressed the overriding consideration that there must be sufficient basis to support the assessment:

Regardless of who the doctor is and his or her relation to the parties, the overriding consideration by both the Labor Arbiter and the National Labor Relations Commission should be that **the medical conclusions are based on (a) the symptoms and findings collated with medically acceptable diagnostic tools and methods, (b) reasonable professional inferences anchored on prevailing scientific findings expected to be known to the physician given his or her level of expertise, and (c) the submitted medical findings or synopsis, supported by plain English annotations that will allow the Labor Arbiter and the National Labor Relations Commission to make the proper evaluation.**³⁷ (Emphasis supplied.)

As applied in the case of Dionesio, the records do not show that respondents complied with the requirements of a sufficient assessment.

³⁴ *Rollo*, p. 63

³⁵ *Orient Hope Agencies, Inc. v. Jara*, 832 Phil. 380, 400-401 (2018).

³⁶ 746 Phil. 736 (2014).

³⁷ *Id.* at 752-753.



Here, the company-designated physician merely stated that Prostate Enlargement is not work-related because it is not listed as an occupational disease.³⁸ While the risk factors were enumerated in the assessment, there was no showing that diagnostic tools and methods were conducted to support the medical conclusion of non-work relation. Thus, such unsupported finding of non-work relation is an invalid medical assessment. Consequently, respondents failed to overturn the presumption of work-relation in favor of Dionesio.

On the other hand, an illness suffered after the term of the contract may still be considered work-related, albeit on a basis different from the one discussed above. Regardless if the illness or injury is listed or not under the POEA-SEC, Section 32-A provides for the following general conditions that should be used as guidelines to prove the causal relation between a seafarer's work and his/her illness or injury suffered after the term of contract:

- (1) the seafarer's work must involve the risks described herein;
- (2) 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.³⁹

As regards listed occupational illnesses or injury, the seafarer shall also satisfy the specific conditions of the illness or injury under the POEA-SEC and secure a medical assessment with a disability grade following the schedule under Section 32 of the POEA-SEC.⁴⁰ For Dionesio, these general conditions under Section 32-A are not applicable because he suffered his illness during the term of the contract.⁴¹

With Dionesio's illness settled as work-related, it follows that he is entitled to compensation and benefits provided under Section 20 (A) of the 2010 POEA-SEC. The employer is obliged to continue to pay the seafarer's wages, and to cover the cost of treatment and medical repatriation, if needed. After medical repatriation, the seafarer has the duty to report to the company-designated physician within three days upon his return. The employer shall then pay sickness and allowance while the seafarer is being treated. And thereafter, the dispute resolution mechanism with regard to the medical assessments of the company-designated, seafarer-appointed, and independent and third doctor, shall apply.⁴²

When it comes to the compensability of a work-related injury or illness and in order for the aforementioned dispute resolution mechanism to

³⁸ *Rollo*, p. 63.

³⁹ Section 32-A, 2010 POEA-SEC.

⁴⁰ *Supra* note 35.

⁴¹ *Rollo*, p. 24.

⁴² *Supra* note 35.

work effectively, the company-designated physician's medical assessment required under Section 20(A) of the 2010 POEA-SEC must be final and definitive as to the seafarer's fitness to work or degree of disability and must be issued within a period of 120-days or 240-days, as the circumstances may warrant.

In *Sunit v. OSM Maritime Services, Inc.*,⁴³ the Court explained that a final and definitive disability assessment must necessarily reflect the true extent of the sickness or injuries of the seafarer *and* his or her capacity to resume work as such.⁴⁴ Without a final and definitive medical assessment from the company-designated physician within the 120-days or 240-day extended period, the law steps in to consider the seafarer's disability as total and permanent.

The only medical assessment issued by the company-designated physician in this case was that of July 11, 2014 wherein it was stated that Dionesio's illness is not work-related.⁴⁵ As already discussed above, such medical assessment is not valid. For purposes of compensability, the said medical assessment is likewise inconclusive because it clearly failed to state either Dionesio's capacity or unfitness to return to work, as the case may be.

Considering that there was no valid medical assessment in the first place, Dionesio is entitled to total and permanent disability benefits by operation of law.

Damages and attorney's fees

Dionesio justifies his claim for damages by alleging that the respondents' unreasonable and unjust refusal to pay their contractual obligations denied him of access to better medical treatment. Dionesio had to use his already depleted resources and be satisfied with the treatment he can only afford.⁴⁶

The Court sees no reason to deny this claim for damages. Without any explanation, respondents went against the advice of the doctors abroad to have Dionesio confined in the hospital for two weeks. Adding aggravation, Dionesio was denied medical treatments due to an inconclusive assessment by the company-designated physician. Respondents' insensitive, if not oppressive treatment of Dionesio, constitutes bad faith causing him mental anguish, serious anxiety, and wounded feelings. Thus, he is entitled to moral damages of ₱50,000.00. This Court also grants exemplary damages of ₱50,000.00 by way of example or correction for the public good.

Moreover, Dionesio is entitled to attorney's fees equivalent to ten percent (10%) of the total monetary awards following Article 2208 of the

⁴³ 806 Phil. 505 (2017).

⁴⁴ Id. at 519.

⁴⁵ *Rollo*, p. 61.

⁴⁶ Id. at 27.



New Civil Code, which allows its recovery in actions for recovery of wages of laborers and actions for indemnity under the employer's liability laws.

Respondents, including Romancito A. Mendoza as corporate officer and director of Crossworld, shall be jointly and severally liable to Dionesio in accordance with Section 10 of Republic Act No. 8042,⁴⁷ as amended by Republic Act No. 10022,⁴⁸ which provides that "if the recruitment/placement agency is a juridical being, the corporate officers and directors and partners as the case may be, shall themselves be jointly and solidarily liable with the corporation or partnership for the aforesaid claims and damages."

Consistent with the pronouncement of the Court in *Nacar v. Gallery Frames*,⁴⁹ interest at the rate of six percent *per annum* is hereby imposed on the total monetary award.

As a final note, it cannot escape the attention of this Court that Dionesio had been repeatedly engaged by Crossworld since 2004 and deployed with respondent foreign principal Iason Hellenic since 2012.⁵⁰ Respect, humane treatment, and dignified existence must always be accorded to seafarers, all the more to someone like Dionesio who rendered years of faithful service to his employer. Respondents could have done better in this case.

WHEREFORE, the petition is **GRANTED**. The Decision dated March 7, 2019 and the Resolution dated June 21, 2019 of the Court of Appeals in CA-G.R. SP No. 143542 are **REVERSED** and **SET ASIDE**. Respondents Crossworld Marine Services, Inc., Iason Hellenic Shipping Company, LTD., and Romancito A. Mendoza are **ORDERED** to jointly and solidarily pay petitioner Dionesio Petipit, Jr. the following:

- (a) US \$60,000.00 or its peso equivalent representing his disability benefit under the 2010 Philippine Overseas Employment Agency – Standard Employment Contract;
- (b) Moral damages of ₱50,000.00;
- (c) Exemplary damages of ₱50,000.00; and
- (d) Attorney's fees equivalent to ten percent (10%) of the total monetary award.

The total monetary award shall be subject to interest rate of six percent (6%) *per annum* from the finality of this Decision until full payment.

The Labor Arbiter is hereby **ORDERED** to make a computation of the total monetary benefits awarded and due to petitioner in accordance with this Decision.

⁴⁷ Migrant Workers and Overseas Filipinos Act of 1995.

⁴⁸ An Act Amending Republic Act No. 8042, Otherwise Known as the Migrant Workers and Overseas Filipino Act of 1995, Republic Act No. 10022.

⁴⁹ 716 Phil. 267 (2013).

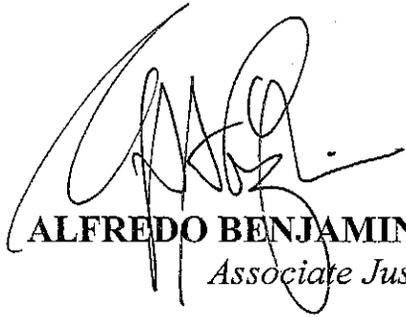
⁵⁰ *Rollo*, p. 19.

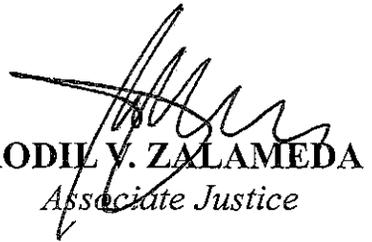
SO ORDERED.


ROSMARIE D. CARANDANG
Associate Justice

WE CONCUR:


ALEXANDER G. GESMUNDO
Chief Justice


ALFREDO BENJAMIN S. CAGUIOA
Associate Justice


RODIL V. ZALAMEDA
Associate Justice


SAMUEL H. GAERLAN
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.


ALEXANDER G. GESMUNDO
Chief Justice