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Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

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

Petitioners,

-versus-

EUGENIO T. LUMAGAS,
Respondent.¹

X-----X

EUGENIO T. LUMAGAS,
Petitioner,

-versus-

**MAERSK-FILIPINAS
CREWING, INC. and/or REY
AUTHER CRUZ,**
Respondents.

X-----X

G.R. No. 256137

Present:

**GESMUNDO, C.J., Chairperson,
HERNANDO,
ZALAMEDA,
ROSARIO,* and
MARQUEZ, JJ.**

G.R. No. 256154

Promulgated:

OCT 16 2024

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DECISION

HERNANDO, J.:

Before the Court are two consolidated cases both assailing the Decision²

* On official leave.
¹ The National Labor Relations Commission is dropped as party-respondent pursuant to Rule 45 of the Rules of Court.
² *Rollo* (G.R. No. 256137), pp. 61–86. The September 19, 2019 Decision in CA-G.R. SP Nos. 08058-MIN and 08062-MIN was penned by Associate Justice Evalyn M. Arellano-Morales and concurred in by Associate Justices Florencio M. Mamauag, Jr. and Lily V. Biton of the Special Twenty-First Division, Court of Appeals, Cagayan de Oro City.

and the Resolution³ of the Court of Appeals (CA) in the consolidated cases of CA-G.R. SP No. 08058-MIN and CA-G.R. SP No. 08062-MIN:

1. **G.R. No. 256137 – Maersk-Filipinas Crewing, Inc. and A.P. Moller A/S v. Eugenio T. Lumagas**, a Petition for Review on *Certiorari* filed by Maersk-Filipinas Crewing, Inc. and A.P. Moller A/S (Maersk-Filipinas Petition);⁴ and

2. **G.R. No. 256154 – Eugenio T. Lumagas v. Maersk-Filipinas Crewing, Inc. and/or Rey Auther Cruz**, a Petition for Review on *Certiorari* filed by Eugenio T. Lumagas (Lumagas Petition).⁵

The assailed CA rulings affirmed the National Labor Relations Commission (NLRC) Decision,⁶ which modified the Labor Arbiter's (LA's) ruling to grant Eugenio T. Lumagas (Lumagas) permanent and partial disability benefits, and the Resolution,⁷ which denied the motions for reconsideration filed by Lumagas, and Maersk-Filipinas Crewing, Inc. (Maersk-Filipinas) and A.P. Moller A/S (A.P. Moller). The LA Decision⁸ directed Maersk-Filipinas and A.P. Moller to pay Lumagas total and permanent disability benefits, sickness allowance, and attorney's fees.

Factual Antecedents

Lumagas was hired as an Electrical Engineer by Maersk-Filipinas and A.P. Moller in its vessel Thomas Maersk, with a basic salary of USD 1,099.00 under an approved 2010 Philippine Overseas Employment Administration Standard Employment Contract (POEA-SEC).⁹ Prior to his last deployment, Lumagas worked on the vessel of Maersk-Filipinas and A.P. Moller for 12 years.¹⁰

³ *Id.* at 88–92. The February 23, 2021 Resolution in CA-G.R. SP Nos. 08058-MIN and 08062-MIN was penned by Associate Justice Evalyn M. Arellano-Morales and concurred in by Associate Justices Loida S. Posadas-Kahulugan, and Lily V. Biton of the Former Special Twenty-First Division, Court of Appeals, Cagayan de Oro City.

⁴ *Id.* at 3–59.

⁵ *Rollo* (G.R. No. 256154), pp. 3–35.

⁶ *CA rollo* (CA-G.R. SP No. 08058-MIN), pp. 561–568. The October 17, 2016 Decision in NLRC No. MAC-07-014546-2016-OFW(M) was penned by Presiding Commissioner Bario-Rod M. Talon and concurred in by Commissioner Proculo T. Sarmen, with Commissioner Dominador B. Medroso, Jr. dissenting, Eighth Division, NLRC, Cagayan de Oro City.

⁷ *Id.* at 574–579. The January 27, 2017 Resolution in NLRC-No. MAC-07-014546-2016-OFW(M) was penned by Presiding Commissioner Bario-Rod M. Talon and concurred in by Commissioners Proculo T. Sarmen and Elbert C. Restauero, Eighth Division, NLRC, Cagayan de Oro City.

⁸ *Id.* at 797–807. The May 31, 2016 Decision in NLRC OFW Case No. RAB-10-12-00889-2015 was penned by Executive Labor Arbiter Henry F. Te, Regional Arbitration Branch No. X, NLRC, Cagayan de Oro City.

⁹ *Rollo* (G.R. No. 256137), p. 64.

¹⁰ *Id.* at 65.

In December 2014 and prior to his deployment, Lumagas underwent a series of medical tests as required by his agency.¹¹ Upon completion of all the requirements of his employers, including a determination of his fitness for sea service, Lumagas was declared “fit to work.”¹² Lumagas was 57 years old at that time.¹³

On January 21, 2015, Lumagas boarded the vessel and commenced his employment.¹⁴ While onboard the vessel, Lumagas was exposed to the harsh conditions and perils that characterize the experience of seafarers, which include the severe stress of work and being away from his family and the overfatigue due to the long hours of work, which lasted from 8 to 16 hours daily.¹⁵ Lumagas’s duties primarily involved maintenance of the equipment on the vessel, particularly all electrical motors, switchboards, fire detectors and the fire alarm system, refrigeration in the engine room, air conditioning units, and the refrigerated containers carried on the ship.¹⁶ He was also responsible for the ship’s navigational lights and other navigational equipment, the batteries connected to onboard machineries (such as the batteries for alarm and lights, lifeboats, the emergency generator, etc.), as well as the cargo and engine room cranes electrical system.¹⁷ As Electrical Engineer, Lumagas conducted routine maintenance for the main engine alarms and accompanied the Chief Engineer on his trips to check up on the state of the vessel.¹⁸ Further, his presence in the engine room was required during maneuvering of the vessel to tackle any kind of electrical emergency that may arise, assist in watch-keeping routines at the behest of the Chief Engineer, and assist the ship’s Engineer and Deck Officer in all kinds of electrical problems.¹⁹

On May 7, 2015, while fixing electrical connections at the main engine room, Lumagas suffered extreme chest pains and inability to breathe,²⁰ but without any associated “fever, cough, or palpitation.”²¹ He requested immediate medical intervention, but this was not possible as the vessel was in open seas.²² Lumagas was able to seek medical attention only on May 11, 2015, when the vessel docked in the Republic of Congo.²³ His initial lab work showed that he had a blood clotting disorder and abnormally high blood pressure.²⁴ Lumagas

¹¹ *Id.* at 64.

¹² *Id.*

¹³ *Id.* at 68.

¹⁴ *Id.* at 64.

¹⁵ *Id.*

¹⁶ *Id.* at 64–65.

¹⁷ *Id.*

¹⁸ *Id.* at 65.

¹⁹ *Id.*

²⁰ *Id.*

²¹ *Id.* at 68.

²² *Id.* at 65.

²³ *Id.*

²⁴ *Id.*

was prescribed with medication and advised to continue with his treatment in the Philippines.²⁵ Based on these findings, the Master of the vessel recommended Lumagas for repatriation.²⁶

Lumagas was medically repatriated on May 16, 2015.²⁷ Upon his arrival, Lumagas was referred to the company designated physician in Marine Medical Services, who proceeded to refer him for laboratory tests and procedures in Cardinal Santos Medical Center.²⁸ On May 28, 2015, the company physician issued a confidential medical report diagnosing Lumagas with “Deep Vein Thrombosis; Ischemic Heart Disease; [and] Protein-S Deficiency.”²⁹ In a follow up report, the company physician diagnosed that Lumagas was “[t]o Consider [Pulmonary] Embolism; Rule Out Ischemic Heart Disease...”³⁰ During these consultations, Lumagas informed his physician that he was previously diagnosed to be a Hepatitis B carrier as early as 1982.³¹

On June 18, 2015, Lumagas was again referred to Cardinal Santos Medical Center for further laboratory tests and procedures and a follow up report was issued stating that his “[c]oagulation parameters showed slightly decreased [ProTime], normal partial thrombosis time, protein C and anti-thrombin and elevated [D-dimer,]”³² which suggested that he suffered from an abnormality in his blood clotting system.³³ Lumagas was then referred to a hematologist for further examination and was advised to continue his medication.³⁴

On July 3, 2015, when Maersk-Filipinas and A.P. Moller inquired about the medical condition of Lumagas, the company physician issued the following suggested disability grading: “If patient is entitled to a disability, his suggested disability grading is Grade 7 – moderate [or residual] disorder.”³⁵

Lumagas continued to receive medical treatment from the company physician, undergoing further diagnostic tests and procedures at the Cardinal Santos Medical Center until October 13, 2015, when the company physician

²⁵ *Id.* at 69.

²⁶ *Id.* at 65.

²⁷ *Id.*

²⁸ *Id.*

²⁹ *Id.*

³⁰ *Id.* at 65–66.

³¹ *Id.* at 69.

³² *Id.* at 66.

³³ *Id.* at 69.

³⁴ *Id.* at 66.

³⁵ *Id.*

assessed Lumagas's condition with a final disability grading of Grade 7 – moderate or residual disorder.³⁶ This marked the termination of Lumagas's treatment with the company physician.

Lumagas then sought consultation and further treatment from Dr. May S. Donato-Tan (Dr. Tan).³⁷ On December 9, 2015, Dr. Tan concluded that Lumagas's illness "effectively[,] permanently and totally prohibits Lumagas to work and attend to the demanding nature of his work as a [seafarer]."³⁸

On December 14, 2015, Lumagas proceeded to file the instant Complaint before the LA for the payment of total and permanent disability benefits.³⁹

Ruling of the Labor Arbiter

On May 31, 2016, the LA ruled in favor of Lumagas and ordered Maersk-Filipinas and A.P. Moller to pay the former total and permanent disability benefits, sickness allowance, and attorney's fees.⁴⁰ The dispositive portion of the LA Decision reads:

WHEREFORE, premises considered, judgment is rendered directing the respondents MAERSK-FILIPINAS CREWING, INC. and A.P. MOLLER A/S, jointly and severally, to pay the complainant EUGENIO T. LUMAGAS the following:

1. Total Permanent Disability compensation equivalent to [USD] 90,000.00;
2. Sickness Allowance equivalent to [USD] 2,800.00[; and]
3. Attorney's Fees equivalent to ten percent (10%) of the total monetary award.

All other claims or counterclaims not specifically mentioned herein are dismissed for lack of merit.

SO ORDERED.⁴¹

The LA found that both the company-designated physician and Lumagas's physician found that Lumagas suffers from a heart disease or cardiovascular disease and ruled that there was a reasonable causal relationship between Lumagas's illness and his job as Electrical Engineer onboard the vessel. The LA took cognizance of Lumagas's 12 years in the employ of Maersk-Filipinas and A.P. Moller; the strenuous demands of his job; the high-fat, high-cholesterol, and low-fiber foods Lumagas was constrained to eat while onboard the vessel;

³⁶ *Id.* at 71.

³⁷ *Id.* at 68.

³⁸ *Id.*

³⁹ *Id.* at 71.

⁴⁰ *Id.* at 400.

⁴¹ *Id.* at 400.

as well as the typical rigors at sea and the stress and strain of being away from home and family. The LA found that the conditions under the POEA-SEC for an occupational disease and the resulting disability to be compensable were satisfied, as Lumagas's illness occurred while he was on duty. Consequently, the LA awarded all money claims in favor of Lumagas, except for moral and exemplary damages, for which the LA found no basis.⁴²

Maersk-Filipinas and A.P. Moller appealed⁴³ the foregoing Decision before the NLRC.

Ruling of the National Labor Relations Commission

On October 17, 2016, the NLRC partially granted the appeal and modified the LA ruling to the extent that Lumagas was entitled to only permanent and partial disability benefits. The NLRC upheld the finding of the company-designated physician that Lumagas's disability rating was Grade 7, as Lumagas failed to observe the conflict resolution procedure in the POEA-SEC, which required that, in case of conflict between the assessments of the company-designated physician and the seafarer's physician, a third doctor jointly agreed upon by both parties would be consulted and their opinion would be final and binding. Due to Lumagas's failure to adhere to this process, the assessment of the company-designated physician became final.⁴⁴ The dispositive portion of the NLRC Decision states:

WHEREFORE, foregoing premises considered, the appeal is hereby *PARTLY GRANTED* and the appealed Decision dated [May 31, 2016] is *AFFIRMED* with *MODIFICATION* in that respondents Maersk-Filipinas Crewing, Inc. and A.P. Moller A/S are ordered jointly and severally to pay complainant Eugenio T. Lumagas the amount of [USD] 20,900.00 as permanent and partial disability benefits

The rest of the awards sustained.

*SO ORDERED.*⁴⁵ (Emphasis in the original)

Commissioner Dominador B. Medroso, Jr. (Commissioner Medroso) dissented from the NLRC Decision where he voted to dismiss the appeal and affirm the LA Decision. Commissioner Medroso opined that neither assessment of the company-designated physician or the seafarer's doctor are binding upon the NLRC, which may disregard these assessments on the basis of the undisputed facts and evidence on record. Based on that logic, Commissioner

⁴² *Id.* at 394–399.

⁴³ *Id.* at 154.

⁴⁴ *Id.* at 157–160.

⁴⁵ *Id.* at 160.

Medroso concurred with the conclusion of the LA that Lumagas's condition and inability to work was permanent and total, as more than 240 days had lapsed and Lumagas was still incapacitated to resume his work as a seafarer.⁴⁶

Both parties sought reconsideration of the NLRC Decision. The NLRC denied both motions for reconsideration for lack of merit in its January 27, 2017 Resolution for lack of merit.

Both parties then filed separate petitions for *certiorari* before the CA.

Assailed rulings of the Court of Appeals

The dispositive portion of the CA's September 19, 2019 Decision⁴⁷ states:

WHEREFORE, for lack of merit, the Petition for Certiorari filed by Maersk-Filipinas Crewing, Inc., and A.P. Moller in CA-G.R. SP-08058-MIN and the Petition for Certiorari filed by Eugenio T. Lumagas in CA-G.R. SP-08062 are *DENIED*. The assailed Decision of the National Labor Relations Commission dated [October 17, 2016] and the Resolution dated [January 27, 2017] are *AFFIRMED*.

SO ORDERED.⁴⁸ (Emphasis in the original)

The CA determined that the NLRC did not act with grave abuse of discretion when it ruled that Lumagas was entitled to only permanent and partial disability benefits on the basis of the Grade 7 disability grading issued by the company-designated physician. According to the CA, the records show that Lumagas's illness was finally assessed on October 13, 2015 and that he did not contest the foregoing assessment before filing his claim for permanent and total disability benefits on October 22, 2015. In doing so, Lumagas violated Section 20(B) of the POEA-SEC, the strict observance of which has been mandated by this Court, which rendered the company-designated physician's assessment as final.⁴⁹

Further, the CA found that the NLRC and LA correctly ruled that Lumagas's condition was work-related and therefore compensable, as the evidence on record showed that there was a reasonable connection between his illness and his rigorous duties as Electrical Engineer. Consequently, the CA ruled that there was no grave abuse of discretion amounting to lack or excess of jurisdiction when the NLRC awarded disability benefits to Lumagas in accordance with the Grade 7 disability rating. The CA also upheld the award

⁴⁶ *Id.* at 162-165.

⁴⁷ *Id.* at 61-86.

⁴⁸ *Id.* at 85-86.

⁴⁹ *Id.* at 78-85.

of attorney's fees and sickness allowance, as the reasons for granting these monetary claims were sufficiently discussed by both the NLRC and LA.⁵⁰

The parties filed their respective motions for reconsideration, both of which the CA denied in its February 23, 2021 Resolution⁵¹ for lack of merit.

Hence, the instant petitions for review on *certiorari* filed separately by both parties.

Issues

The threshold issue presented for the Court's resolution is whether Lumagas is entitled to disability benefits for a work-related illness or medical condition. Assuming that an award of disability benefits is proper, the Court must also determine whether the extent of the disability suffered by Lumagas is partial or total and permanent and the propriety of Lumagas' other monetary claims.

In their petition,⁵² Maersk-Filipinas and A.P. Moller argue that the NLRC gravely abused its discretion when it permitted Lumagas to recover partial and permanent disability benefits. In support of their position, they allege that Lumagas failed to prove a reasonable connection between his medical condition and his duties as a seafarer. Further, Maersk-Filipinas and A.P. Moller claim that Lumagas is disqualified from receiving disability benefits, because he knowingly concealed a preexisting diagnosis of Hepatitis B from his employers. Maersk-Filipinas and A.P. Moller also contest the propriety of the award of attorney's fees, considering that Lumagas failed to adhere to the conflict resolution procedure in the POEA-SEC, as well as the propriety of the grant of sickness allowance, as the same has allegedly already been paid.

In Lumagas's petition,⁵³ he argues that the assessment of the company-designated physician is not controlling, because it lacked the character of finality and definiteness, and that he was entitled to seek a second opinion. The Court must still determine the inherent merits of each assessment and Lumagas insists that his own physician's diagnosis should be used to determine the true nature of his disability, due to the tendency for the company-designated physician to favor the employer. Based on the foregoing argument that the company-designated physician's assessment is not final and definite, Lumagas concludes that he is conclusively presumed to be totally and permanently disabled and prays that he be awarded full benefits in accordance with his condition.

⁵⁰ *Id.*

⁵¹ *Id.* at 88-92.

⁵² *Id.* at 3-59.

⁵³ *Rollo* (G.R. No. 256154), pp. 3-35.

Our Ruling

Both petitions for review on *certiorari* lack merit and should perforce be denied.

Lumagas is entitled to partial and permanent disability benefits in accordance with the Grade 7 disability grading given by the company-designated physician. Further, We uphold the awards of attorney's fees and sickness allowance granted by the NLRC and LA.

Lumagas's illnesses are work-related and compensable

At the outset, it must be noted that the compensability of an illness or injury is essentially a factual issue,⁵⁴ which is not a proper subject of a Rule 45 petition. Issues of fact may not be raised under a petition for review on *certiorari*, because the Court is not a trier of facts and is generally limited to reviewing errors of law that may have been committed by the lower courts.⁵⁵ Consistent with the foregoing principle, the Court's review of labor cases does not go beyond the evaluation of the sufficiency of the evidence upon which the labor officials' findings are based.⁵⁶ Consequently, the findings of the labor tribunals, especially when affirmed by the appellate court, are accorded great weight, respect, and even finality when supported by substantial evidence.⁵⁷ Although there are exceptions⁵⁸ that justify a departure from the foregoing rule, none are present in this case.

⁵⁴ *Ledesma v. C.F. Sharp Crew Management, Inc.*, G.R. No. 241067, October 5, 2022 [Per C.J. Gesmundo, First Division] at 8, citing *Bright Maritime Corporation v. Racela*, 852 Phil. 536, 553 (2019) [Per J. Gesmundo, First Division]. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

⁵⁵ *Id.*, citing *Dionio v. ND Shipping Agency and Allied Services, Inc.*, 838 Phil. 953, 965 (2018) [Per J. Gesmundo, Third Division].

⁵⁶ *Association of Integrated Security Force of Bislig v. Court of Appeals*, 505 Phil. 10, 23–24 (2005) [Per J. Chico-Nazario, Second Division].

⁵⁷ *The Coffee Bean and Tea Leaf Philippines, Inc. v. Arenas*, 755 Phil. 882, 891 (2015) [Per J. Brion, Second Division].

⁵⁸ The exceptions are the following: (1) When the conclusion is a finding grounded entirely on speculation, surmises or conjectures; (2) When the inference made is manifestly mistaken, absurd or impossible; (3) Where there is a grave abuse of discretion; (4) When the judgment is based on a misapprehension of facts; (5) When the findings of fact are conflicting; (6) When the Court of Appeals, in making its findings, went beyond the issues of the case and the same is contrary to the admissions of both appellant and appellee; (7) The findings of the Court of Appeals are contrary to those of the trial court; (8) When the findings of fact are conclusions without citation of specific evidence on which they are based; (9) When the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondents; and (10) The finding of fact of the Court of Appeals is premised on the supposed absence of evidence and is contradicted by the evidence on record. (*Miano v. Manila Electric Co.*, 800 Phil. 118, 123 (2016) [Per J. Leonen, Second Division], citing *Medina v. Asistio*, 269 Phil. 225, 232 (1990) [Per J. Bidin, Third Division].

Thus, We affirm the uniform finding of the CA, NLRC, and LA that Lumagas's illness was work-related and compensable. A review of the records of the case would show that the foregoing conclusion is amply supported by facts and evidence.

The Court has consistently held that the compensability of an injury or illness does not depend on whether it was pre-existing at the time of employment, but rather on whether such injury or illness is work-related or if the employee's condition was aggravated by work.⁵⁹ The degree to which the employee's work caused or aggravated the illness or injury need not be established with certainty, as it is enough that there exists a reasonable work connection for such condition to be compensable.⁶⁰ The Court deems it sufficient that the worker's claim is probable "since probability, not certainty is the touchstone."⁶¹

To be entitled to disability benefits for an occupational illness listed under Section 32-A of the POEA-SEC, a seafarer must show compliance with the following conditions: 1) The seafarer's work must involve the risk described therein; 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.⁶²

Lumagas was diagnosed with Deep Vein Thrombosis, Ischemic Heart Disease (or coronary artery disease, and Protein-S Deficiency. Deep Vein Thrombosis and Ischemic Heart Disease are examples of cardiovascular events, which are listed as an occupational disease under Section 32-A of the POEA-SEC. Further, the Court has recognized cardiovascular disease, coronary artery disease, and other heart ailments as compensable work-related conditions:

In many cases decided in the past, this Court has held that cardiovascular disease, coronary artery disease, and other heart ailments are compensable. Thus, in *Fil-Pride Shipping Company, Inc. v. Balasta*, severe 3-vessel coronary artery disease which the seaman contracted while serving as Able Seaman was considered an occupational disease. In *Villamueva, Sr. v. Baliwag Navigation, Inc.*, it was held that the 2000 POEA-SEC considers heart disease as an

⁵⁹ *Sestoso v. United Philippine Lines, Inc.*, 857 Phil. 709, 716–717 (2019) [Per J. Lazaro-Javier, Second Division], citing *More Maritime Agencies v. NLRC*, 366 Phil. 646, 654–655 (1999) [Per J. Bellosillo, Second Division].

⁶⁰ *Mariveles v. Wilhelmsen-Smithbell Manning, Inc.*, 893 Phil. 822, 836 (2021) [Per J. Delos Santos, Third Division], citing *Magat v. Interiorient Maritime Enterprises, Inc.*, 829 Phil. 570, 583 (2018) [Per J. Peralta, Second Division].

⁶¹ *Id.*, citing *Career Philippines Ship Management, Inc. v. Godinez*, 819 Phil. 86, 106 (2017) [Per J. Del Castillo, First Division].

⁶² POEA-SEC, sec. 32-A. See also *Trans-Global Maritime Agency, Inc. v. Utanes*, 885 Phil. 544, 555–556 (2020) [Per J. Lopez, First Division], citing *Ventis Maritime Corporation v. Salenga*, 873 Phil. 567, 584 (2020) [Per J. Caguioa, First Division].

occupational disease. In *Jebsens Maritime, Inc. v. Undag*, the Court held that hypertensive cardiovascular disease may be a compensable illness, upon proof. In *Oriental Shipmanagement Co., Inc. v. Bastol and Heirs of the late Aniban v. National Labor Relations Commission*, it was held that myocardial infarction as a disease or cause of death is compensable, such being occupational. *Lloreta v. Philippine Transmarine Carriers, Inc.* held that hypertensive cardiovascular disease/coronary artery disease and chronic stable angina are compensable. *Micronesia Resources v. Cantomayor* stated that a finding of coronary artery disease entitles the claimant a seaman Third Officer to disability compensation. In *Remigio v. National Labor Relations Commission*, the Court held that the claimant — a musician on board an ocean-going vessel — was entitled to recover for suffering from coronary artery disease. In *Sepulveda v. Employees' Compensation Commission*, it was declared that the employee's illness, myocardial infarction, was directly brought about by his employment as schoolteacher or was a result of the nature of such employment.⁶³ (Citations omitted)

Under the POEA-SEC, a person who was apparently asymptomatic before being subjected to strain at work then showed signs and symptoms of cardiac injury during the performance of work and such symptoms and signs persisted may reasonably claim a causal relationship between work and the heart condition.⁶⁴

Nothing on the records would suggest that Lumagas was suffering from any heart ailment nor presenting any symptoms of cardiovascular disease prior to his employment with Maersk-Filipinas and A.P. Moller. However, the evidence on record extensively details the strenuous nature of Lumagas's duties: from his 8 to 16 hour daily shifts to the responsibility of maintenance of essentially all electrical devices and systems on the ship.⁶⁵ Lumagas began experiencing severe chest pains and an inability to breathe while working in the vessel's engine room.⁶⁶ Further, the fact that seafarers are generally at the mercy of harsh and unpredictable conditions of the sea and the weather and are continually exposed to risks and hazards of their chosen line of work have consistently been recognized by the Court.⁶⁷ Taken all together, it is evident how the rigors of Lumagas's work on board the vessel caused him serious mental and physical stress to the detriment of his health and made him susceptible to contracting cardiovascular diseases, such as Deep Vein Thrombosis and Ischemic Heart Disease. Further, there is no allegation of notorious negligence on Lumagas's part.

⁶³ *Magsaysay Mitsui OSK Marine, Inc. v. Bengson*, 745 Phil. 313, 325–326 (2014) [Per J. Del Castillo, Second Division].

⁶⁴ POEA-SEC, sec. 32-A(11)(c).

⁶⁵ See *rollo* (G.R. No. 256137), pp. 81–82.

⁶⁶ *Id.* at 20.

⁶⁷ *C.F. Sharp Crew Management, Inc. v. Daganato*, G.R. 243399, July 6, 2022 [Per J. Hernando, First Division] at 8. This pinpoint citation refers to the copy of the Decision uploaded to the Supreme Court website.

Maersk-Filipinas and A.P. Moller's disquisitions on how Lumagas could have contracted the foregoing conditions outside of work or other occupational factors are merely conjectural or speculative at best and cannot overcome the established reasonable causal connection between Lumagas's work and the illnesses he contracted.

Anent his employers' claim that Lumagas concealed his preexisting condition of Hepatitis B in his 2014 pre-employment medical examination (PEME),⁶⁸ the same is entirely baseless. While it is conceded that the Medical Certificate for Service at Sea⁶⁹ issued after Lumagas's PEME that was submitted by Maersk-Filipinas and A.P. Moller makes no reference to his preexisting illness, the same document does not appear to paint the entire picture of the medical examination undergone by Lumagas. The succeeding pages of the foregoing certificate expressly indicate that Lumagas disclosed his condition during his PEME. In the Pre-Employment and Periodic Medical Fitness Certificate of Seafarers dated December 2014,⁷⁰ Lumagas declared his preexisting illness when he answered "yes" to whether he had any allergies and infectious diseases.⁷¹ He also answered in the affirmative to the following questions:

39. Are you aware that you have any medical problems, disease or illness?

40. Do you feel healthy and fit to perform the duties of your designated position/occupation?

41. Are you allergic to any medications?

[...]

Comments:

39. Hepatitis B reactive, less infectious; 41. Allergy to Penicillin⁷²

Based on the foregoing, Maersk-Filipinas and A.P. Moller cannot claim that Lumagas concealed his illness during the PEME. That Lumagas was issued a certificate attesting to his fitness for service at sea is not irreconcilable with the fact that he is a Hepatitis B carrier. Thus, Lumagas's employers cannot claim that he is disqualified from receiving disability benefits due to the concealment of a preexisting illness.

In conclusion, Lumagas has sufficiently proven that his conditions were work-related and satisfied the conditions for compensability, thus making Maersk-Filipinas and A.P. Moller liable to pay him disability benefits.

⁶⁸ *Rollo* (G.R. No. 256137), p. 28.

⁶⁹ *Id.* at 220.

⁷⁰ *Rollo* (G.R. No. 256154), pp. 92–93.

⁷¹ *Id.*

⁷² *Id.* at 93–94.

The Grade 7 disability assessment issued by the company-designated physician is final and controlling

Having established that Lumagas's illness was work-related and compensable, We now determine the extent or grade of his impediment for purposes of awarding the disability benefits in accordance with the schedule in the POEA-SEC.⁷³

A claim for disability benefits is based on the medical assessment by a physician. A final, conclusive, and definite medical assessment must clearly provide the seafarer's fitness to work or their exact disability rating, or whether such illness is work-related and without any further treatment. The assessment should no longer require any further action on the part of the company-designated physician, as it is issued after the company-designated physician has exhausted all possible treatment options within the periods allowed by law.⁷⁴ As emphasized by the Court in *Mabalot v. Maersk-Filipinas Crewing, Inc.*:⁷⁵

To stress, the assessment to be conclusive must be complete and definite; otherwise, the medical report shall be set aside and the disability grading contained therein shall be ignored. As case law holds, a final and definite disability assessment is necessary in order to truly reflect the true extent of the sickness or injuries of the seafarer and his or her capacity to resume work as such.⁷⁶

In this case, Lumagas argues that the Grade 7 disability rating issued by the company-designated physician in his October 13, 2015 report is not controlling as it lacked the character of finality and definiteness required by the law. Lumagas insists that his own physician's assessment that his illness permanently and totally prohibits him from working should prevail.

We disagree.

The very wording of the company-designated physician's report demonstrates its final and definite character: "If patient is entitled to disability, his final disability grading is Grade 7 – moderate [or residual] disorder."⁷⁷ Notably, the same October 13, 2015 medical report marked the end of the

⁷³ POEA-SEC, sec. 32.

⁷⁴ *Mabalot v. Maersk-Filipinas Crewing, Inc.*, 910 Phil. 33, 44 (2021) [Per J. Hernando, Second Division], citing *Jebsens Maritime, Inc. v. Mirasol*, 854 Phil. 241, 249 (2019) [Per J. Caguioa, Second Division].

⁷⁵ *Id.*, citing *Ampo-on v. Reinier Pacific International Shipping, Inc.*, 853 Phil. 483, 492 [Per J. Perlas-Bernabe, Second Division].

⁷⁶ *Id.*

⁷⁷ *Rollo* (G.R. No. 256137), p. 68.

company-designated physician's treatment of Lumagas.⁷⁸ Thus, the Grade 7 disability rating is final, conclusive, and definite.

Lumagas's continued insistence that the assessment of his own physician, Dr. Tan, should prevail does not warrant consideration, as he failed to comply with the dispute resolution procedure provided for in Section 20(A)(3) of the POEA-SEC. The foregoing provision provides that "[i]f a doctor appointed by the seafarer disagrees with the assessment [of the company-designated doctor], 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."⁷⁹ The Court has consistently held that the "third doctor referral" rule is mandatory when: "1) there is a valid and timely assessment by the company-designated physician[;] and (2) the appointed doctor of the seafarer refuted such assessment."⁸⁰ These circumstances are present here.

In this case, Lumagas filed his complaint for disability only five days after he secured the second opinion of Dr. Tan instead of referring the matter to a third doctor for a binding opinion.⁸¹

The consequence for noncompliance with Section 20(A)(3) of the POEA-SEC is clear and settled:

This referral to a third doctor has been held by this Court to be a mandatory procedure as a consequence of the provision that it is the company-designated doctor whose assessment should prevail. In other words, *the company can insist on its disability rating even against a contrary opinion by another doctor, unless the seafarer expresses his disagreement by asking for the referral to a third doctor who shall make his or her determination and whose decision is final and binding on the parties*. We have followed this rule in a string of cases, among them, *Philippine Hammonia [v. Dumadag]*, *Ayungo v. Beamko Ship Management Corp.*, *Santiago v. Pacbasin Ship Management, Inc.*, *Andrada v. Agemar Manning Agency*, and *Masangkay v. Trans-Global Maritime Agency, Inc.* Thus, at this point, the matter of referral pursuant to the provision of the POEA-SEC is a settled ruling.⁸² (Emphasis supplied, citations omitted)

Accordingly, the Grade 7 disability rating issued by the company-designated physician is controlling when determining the amount of benefits to which Lumagas is entitled. The CA therefore did not err when it affirmed the NLRC's award of permanent and partial disability benefits to Lumagas in the amount of USD 20,900.00 in accordance with the foregoing rating.

⁷⁸ *Id.*

⁷⁹ POEA-SEC, sec. 20(A)(3).

⁸⁰ *Marlow Navigation Philippines, Inc. v. Osias*, 773 Phil. 428, 446 (2015) [Per J. Mendoza, Second Division].

⁸¹ *See rollo* (G.R. No. 256137), p. 163.

⁸² *INC Navigation Co. Philippines, Inc. v. Rosales*, 744 Phil. 774, 787 (2014) [Per J. Brion, Second Division].

Lumagas is entitled to attorney's fees and sickness allowance

On the issue of whether the award of attorney's fees and sickness allowance is proper, We uphold the ruling of the CA affirming these monetary awards.

In labor cases, it is an established rule that the withholding of wages or benefits need not be coupled with bad faith to justify an award of attorney's fees. Instead, it is enough that wages or benefits were unpaid without justification.⁸³

In this case, Lumagas was evidently compelled to litigate, because even after he was issued a final disability rating of Grade 7 by the company-designated physician, Maersk-Filipinas and A.P. Moller refused to honor his claims. Lumagas sought assistance from the Regional Arbitration Branch on NLRC on October 22, 2015⁸⁴ to secure his disability benefits and was eventually compelled to file his complaint before the LA. For Maersk-Filipinas and A.P. Moller's continued and unjustified withholding of Lumagas' disability benefits, they are liable to pay attorney's fees.

With regard to the award of sickness allowance, the same is also proper. We uphold the factual finding of the NLRC that the evidence presented by Maersk-Filipinas and A.P. Moller to prove that they had already paid sickness allowance to Lumagas was unpersuasive.⁸⁵ Proof of the alleged bank transactions representing payment of sickness allowance consisted of mere print-outs that the NLRC correctly deemed to be insufficient as proof of payment as these documents were not duly authenticated. Thus, the award of sickness benefits is also proper.

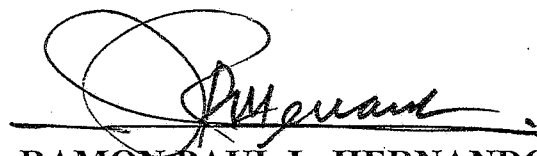
ACCORDINGLY, the Petitions are **DENIED**. The assailed September 19, 2019 Decision and the February 23, 2021 Resolution of the Court of Appeals in CA-G.R. SP No. 08058-MIN and CA-G.R. SP No. 08062-MIN are **AFFIRMED**.

⁸³ *PAL Maritime Corporation v. Dalisay*, 895 Phil. 30, 45 (2021) [Per J. Lopez, M., Second Division], *citing* *Alva v. High Capacity Security Force, Inc.*, 820 Phil. 677, 689 (2017) [Per J. Reyes, Jr., Second Division].

⁸⁴ *Rollo* (G.R. No. 256137), p. 163.

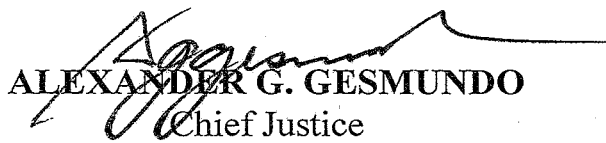
⁸⁵ *Id.* at 159.

SO ORDERED.

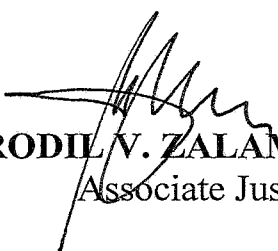


RAMON PAUL L. HERNANDO
Associate Justice
Working Chairperson

WE CONCUR:



ALEXANDER G. GESMUNDO
Chief Justice
Chairperson



RODIL V. ZALAMEDA
Associate Justice

On official leave
RICARDO R. ROSARIO
Associate Justice



JOSE MIDAS P. MARQUEZ
Associate Justice

CERTIFICATION

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


ALEXANDER G. GESMUNDO

Chief Justice

Chairperson

