

# Republic of the Philippines Supreme Court Manila

2022 °iME

THIRD DIVISION

CELESTINO M. JUNIO, Petitioner. G.R. No. 220657

Present:

- versus -

PACIFIC OCEAN MANNING, INC., MEGA CHEMICAL TANKER, and ERLINDA S. AZUCENA, LAZARO-JAVIER, LOPEZ, M., LOPEZ, J., and KHO, JR., *JJ*.

LEONEN, J., Chairperson,

Respondents.

**Promulgated:** 

March 16, 2022 MisseDCBatt

# RESOLUTION

M. LOPEZ, J.:

The crux of controversy in this petition for review on *certiorari*<sup>1</sup> – assailing the: (1) January 5, 2015 Decision;<sup>2</sup> and (2) August 26, 2015 Resolution<sup>3</sup> of the Court of Appeals (CA) in CA-G.R. SP No. 130892 – is the entitlement of petitioner Celestino M. Junio (Celestino) to disability benefits.

## ANTECEDENTS

Celestino worked for Pacific Ocean Manning, Inc. (Pacific Manning) for 16 years.<sup>4</sup> On January 24, 2011, he entered into a nine (9)-month

<sup>&</sup>lt;sup>1</sup> Rollo, pp. 12–37.

<sup>&</sup>lt;sup>2</sup> Id. at 40–49. Penned by Associate Justice Manuel M. Barrios, with the concurrence of Associate Justices Normandie B. Pizarro and Carmelita S. Manahan.

<sup>&</sup>lt;sup>3</sup> Id. at 50–51.

<sup>&</sup>lt;sup>4</sup> Id. at 59, 67, and 79.

employment contract with Pacific Manning, on behalf of its foreign principal, Mega Chemical Tanker (Mega Tanker), to serve as a Fitter onboard MCT Monte Rosa.<sup>5</sup> Before his deployment, Celestino underwent a pre-medical employment examination and was found fit to work.<sup>6</sup> Thus, on January 30, 2011, he boarded MCT Monte Rosa.<sup>7</sup>

On June 15, 2011,8 Celestino was performing an overhaul in the engine and fixing the hydraulic machine when the hose accidentally detached and hit his left eye. He reported the incident to the Chief Engineer, but his request for a medical examination was denied because the vessel was about to leave for the next port.9 On September 11, 2011,10 Celestino collapsed while changing the fuel injector in the engine room<sup>11</sup> and his supervisor issued an Accident/Incident Report<sup>12</sup> regarding the incident. The ship captain referred him to an offshore physician, Dr. Daniel Jenkins III (Dr. Jenkins). On September 15, 2011, Celestino underwent a magnetic resonance imaging (MRI) of his brain with attention to the left eye at the North Houston Imaging Center in Texas, USA.<sup>13</sup> According to the attending doctor, Dr. Jose F. Sotomayor (Dr. Sotomayor), the MRI showed "Asymmetrical Mild Exophithalmos of the eye associated with residual chronic [l]ymphedema of the retrobulbar fatty tissues, including slightly increased signal intensity around the left optic nerve as well as perio[r]bital soft tissue swelling and lymphedema; suspicions of partial tear of the posterior retina as well as minimal residual posttraumatic contusive edema of the sclera and choroid posterior along eye globe on the left[.]"<sup>14</sup> He also did blood and urine tests and was later diagnosed with: (1) posterior retinae partial tear; (2) sinusitis; (3) hyperlipidemia; and (4) acute gastroduodenitis. Dr. Jenkins indicated in the health insurance claim form that Celestino's illnesses were not workrelated.<sup>15</sup> A few days later, or on September 21, 2011, Celestino was repatriated and he reported to the office of Pacific Manning two (2) days upon arrival. He requested for medical treatment but was not referred to a companydesignated physician. Celestino again asked for medical treatment during his

- <sup>11</sup> Id. at 41, 60–61, and 68–69.
- <sup>12</sup> Id. at 85, which states:
  - Description of events

(Including activities in immediately before the accident)

DURING ROUTINE JOB IN ENGINE ROOM THE FITTER WAS FOUND IN WORK SHOP [UNCONSCIOUS]. THE CREW MEMBERS HAD BEEN ALERTED. HOSPITAL, STRETCHER, RESUSCITATOR AND FIRST AID EQUIPMENT PREPARED. THE FITTER RECOVERED CONSCIOUSNESS IN A FEW MINUTES WITHOUT MEDICAL TREATMENT. FROM 11:00 LT THE FITTER WAS RELEASED FROM HIS DUTIES AND JOB AND SENT TO CABIN UNDER REGULAR CONTROL.

<sup>&</sup>lt;sup>5</sup> Id. at 41, 58, and 67.

<sup>6</sup> Id. at 59 and 67.

<sup>&</sup>lt;sup>7</sup> Id. at 41 and 59.

<sup>&</sup>lt;sup>8</sup> Incorrectly dated as "June 5, 2011" in the NLRC Decision; see id. at 68.

<sup>&</sup>lt;sup>9</sup> Id. at 59 and 68.

<sup>&</sup>lt;sup>10</sup> Incorrectly dated as "September 14, 2011" in the LA and NLRC Decision; see id. at 60 and 68.

<sup>&</sup>lt;sup>13</sup> Id. at 41, 60, and 68.

<sup>&</sup>lt;sup>14</sup> Id. at 60.

<sup>&</sup>lt;sup>15</sup> Id. at 41, 60, and 68.

### Resolution

debriefing, but the crewing manager of Pacific Manning ignored him.<sup>16</sup> This prompted him to file a complaint on February 10, 2012 against respondents Pacific Manning, represented by its President/Manager<sup>17</sup> Erlinda S. Azucena, and Mega Tanker, (respondents) for payment of permanent total disability benefits, sickness allowance, damages, and attorney's fees.<sup>18</sup>

On April 19, 2012, or two (2) months after filing the complaint, Celestino sought the medical opinion of Dr. May S. Donato-Tan (Dr. Tan), who diagnosed him with trauma to the left eye, as well as Hypertension, Hypertensive Arteriosclerotic Cardiovascular Disease, and advised him to further consult with an ophthalmologist and a cardiologist. Dr. Tan concluded that Celestino was unfit for duty as a seaman.<sup>19</sup>

For their part, respondents claimed that Celestino came home as he finished his contract. While they admitted that Celestino was found unconscious on board the vessel on September 11, 2011, he was subsequently cleared of his conditions during his medical checkup in Houston, Texas and was allowed to return to the vessel. Also, Dr. Jenkins wrote in the health insurance claim form that Celestino's injury and illnesses are not work-related nor arising from an accident.<sup>20</sup> To bolster their defense of a finished contract, respondents submitted the *Sign Off Crew Reporting Details*,<sup>21</sup> which Celestino filled out upon arrival indicating "EOD" or end of duty, as the reason for his sign-off.<sup>22</sup> Even assuming that Celestino's illnesses are work-related, respondents contended that he did not request for a post-employment medical examination within the three (3) days from his repatriation. Neither did he mention any medical condition during his debriefing on September 23, 2011. At any rate, respondents moved to physically examine Celestino to verify his condition on April 24, 2012, but he refused.<sup>23</sup>

In a Decision<sup>24</sup> dated October 25, 2012, the Labor Arbiter (LA) dismissed Celestino's complaint for failure to comply with the mandatory three (3)-day reporting requirement for a post-employment medical examination. Respondents were able to establish that Celestino did not request a post-employment medical examination based on the *Sign Off Crew* 

SO ORDERED.

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<sup>&</sup>lt;sup>16</sup> Id. at 42, 47, 60–62, and 68–69.

<sup>&</sup>lt;sup>17</sup> Id. at 14.

<sup>&</sup>lt;sup>18</sup> Id. at 42, 56, and 67.
<sup>19</sup> Id. at 42, 61, 73, and 92–92.

<sup>&</sup>lt;sup>19</sup> Id. at 42, 61, 73, and 92–92-A.

<sup>&</sup>lt;sup>20</sup> Dr. Jenkins ticked the box "NO" for question No. 10 which asks, "Is patient's condition related to: a. Employment; b. Auto-accident; and c. other accident x x x." (Id. at 62.)

<sup>&</sup>lt;sup>21</sup> Id. at 87.

<sup>&</sup>lt;sup>22</sup> Id. at 62 and 103. <sup>23</sup> Id. at 43, 62–63, 70

<sup>&</sup>lt;sup>23</sup> Id. at 43, 62–63, 70, and 103.

<sup>&</sup>lt;sup>24</sup> Id. at 58-65 and 75. Penned by Labor Arbiter Julia Cecily Coching Sosito. The dispositive portion of which reads:

WHEREFORE, premises considered, judgment is hereby rendered dismissing the instant Complaint for lack of merit.

*Reporting Details* form which mentioned "EOD" or end of duty as the reason for repatriation. The *Debriefing of Personnel Form*<sup>25</sup> did not also contain any request for medical assistance. Respondents submitted the affidavit of the crewing manager who conducted the exit interview to prove that Celestino did not request for medical assistance. The LA doubted Celestino's claim that he needed medical attention because he allowed six (6) months to pass before consulting a doctor of his own choice in April 2012.<sup>26</sup>

On appeal, the National Labor Relations Commission (NLRC) in a Decision<sup>27</sup> dated March 27, 2013 reversed the LA's Decision, and awarded permanent total disability benefits in favor of Celestino, thus:

WHEREFORE, premises considered, the appeal of the complainant is GRANTED. ACCORDINGLY, the appealed Decision is hereby SET ASIDE and a new decision is entered ordering respondents, jointly and severally, to pay [Celestino] the amount of US\$60,000.00 representing permanent total disability benefit, and US\$2,792.00 representing sickness allowance, or their peso equivalent at the time of payment, plus ten percent (10%) thereof as attorney's fees.

### SO ORDERED.<sup>28</sup>

The NLRC lent credence to Celestino's claim that his left eye was accidentally injured while performing his work, which later caused him to pass out. He was thereafter diagnosed to be suffering from a partial tear in his *posterior retinae, sinusitis, hyperlipidemia*, and *acute gastroduodenitis* after undergoing an MRI and laboratory tests, and was medically repatriated. Moreover, Celestino's contract has not been completed because he still had at least a month remaining in his contract. Considering that Celestino was medically repatriated, the NLRC held that he requested a post-employment medical examination within three (3) days upon repatriation, but Pacific Manning turned him down. The NLRC then sustained Dr. Tan's assessment that Celestino was permanently unfit to work as a seafarer.<sup>29</sup> Respondents moved for reconsideration but their motion was denied in a Resolution<sup>30</sup> dated May 9, 2013.

Aggrieved, respondents filed a petition for *certiorari* with the CA. The CA in a Decision<sup>31</sup> dated January 5, 2015 reversed the NLRC ruling and

WHEREFORE, the foregoing considered, the Petition is GRANTED. The assailed Decision dated 27 March 2013 and Resolution dated 09 May 2013 of public

<sup>&</sup>lt;sup>25</sup> Id. at 88–89.

<sup>&</sup>lt;sup>26</sup> Id. at 62, 64–65, and 75.

<sup>&</sup>lt;sup>27</sup> Id. at 66-74 and 76-81. Penned by Presiding Commissioner Hermino Suelo, with the concurrence of Commissioners Angelo Ang Palana and Numeriano D. Villena.

<sup>&</sup>lt;sup>28</sup> Id. at 80.

<sup>&</sup>lt;sup>29</sup> Id. at 77–79.

<sup>&</sup>lt;sup>30</sup> Id. at 82–84.

<sup>&</sup>lt;sup>31</sup> Id. at 40–49. The dispositive portion of the Decision reads:

reinstated the LA's Decision. The CA echoed the LA's findings that Celestino failed to observe the mandatory three (3)-day reporting requirement. Celestino was unable to establish that he immediately informed the manning agency of his medical condition when he returned to the Philippines. He also failed to prove that he suffered an accident on June 15, 2011, that caused his eye injury. The Medical Certificate issued by his chosen doctor, Dr. Tan, has no substantial weight because she only examined Celestino seven (7) months after arriving in the Philippines. The CA upheld the LA in giving credence to the *Sign-Off Crew Reporting Details* form, the absence of any mention of an eye injury in the Debriefing of Personnel form, and the crewing manager's affidavit. The CA concluded that Celestino was barred from claiming disability benefits because he failed to submit himself for a post-employment medical examination within three (3) days from his repatriation.<sup>32</sup> Celestino filed a motion for reconsideration, but was denied by the CA in a Resolution<sup>33</sup> dated August 26, 2015.

Petitioner Celestino Junio filed the instant petition for review on *certiorari*, assailing the January 5, 2015 Decision<sup>34</sup> and August 26, 2015 Resolution<sup>35</sup> of the CA in CA-G.R. SP No. 130892. He claims entitlement to disability benefits, insisting that he reported to respondents within three (3) days from his repatriation to request medical attention, but respondents did not heed his request.<sup>36</sup>

On the other hand, respondents, in their Comment,<sup>37</sup> maintained that Celestino failed to submit himself to a post-employment medical examination and did not mention any medical condition during his debriefing. Thus, Celestino cannot claim disability benefits. In the alternative, respondents contend that Celestino failed to establish that his medical condition was workrelated and acquired during the term of his contract. Moreover, they are not liable for attorney's fees in the absence of bad faith on their part.<sup>38</sup>

### RULING

The petition is meritorious.

Foremost, the issues on whether: (1) Celestino was medically repatriated; (2) he complied with the three (3)-day mandatory reporting

SO ORDERED. (Emphasis in the original)

- <sup>35</sup> Id. at 50–51.
- <sup>36</sup> Id. at 24-33.
- <sup>37</sup> Id. at 101–121.
- <sup>38</sup> Id. at 106–119.

respondent NLRC are **ANNULLED** and **SET ASIDE**. The Decision of the Labor Arbiter dated 25 October 2012 dismissing the complaint is reinstated.

<sup>&</sup>lt;sup>32</sup> Id. at 46–49.

<sup>&</sup>lt;sup>33</sup> Id. at 50–51.

<sup>&</sup>lt;sup>34</sup> Id. at 40–49.

requirement; and (3) his medical condition is considered work-related – are all questions of fact. As a rule, factual issues are not proper subjects in petitions for review on *certiorari*, because the Court limits its review to errors of law committed by the lower courts or tribunals.<sup>39</sup> However, there are exceptional cases such as this case wherein the NLRC's findings are in conflict with those of the LA and the CA,<sup>40</sup> or when certain relevant facts not disputed by the parties were manifestly overlooked, which, if properly considered, would justify a different conclusion.<sup>41</sup> As such, the Court will not hesitate to revisit the evidence to definitively rule on the issues to be resolved.

Celestino was repatriated because of medical reasons and not due to end of contract

Based on the records, Celestino signed a nine (9)-month contract dated January 24, 2011, and joined the vessel on January 30, 2011. He was only on the 8<sup>th</sup> month of his contract when he was repatriated to the Philippines on September 21, 2011. Obviously, Celestino's contract was not yet completed when he was repatriated, yet respondents did not explain why the contract was cut short. Respondents simply presented the *Sign Off Crew Reporting Details*, indicating EOD as the reason for repatriation. In this regard, the Court rules that respondents cannot disprove the contract duration and the date of repatriation and insist that the "EOD" written on the Sign Off Crew Reporting Details meant a finished contract. Absent any justification why the contract was pre-terminated, we conclude that Celestino was not sent home due to the expiration of his contract.

In *Marlow Navigation Phils.*, *Inc. v. Quijano*,<sup>42</sup> the Court took into account the unexpired portion of the seafarer's contract in rejecting the employer's theory of a finished contract as the cause of repatriation, *viz.*:

A perusal of the records would show that Quijano's Contract of Employment dated July 11, 2013 commenced only when he departed for M/V Katharina Schepers on August 18, 2013, in accordance with Section 2 (A) of the 2010 POEA-SEC. Since Quijano's contract of service was for a period of six (6) months, reckoned from the point of hire or until February 18, 2014, his sign-off from the vessel on January 30, 2014 was clearly short of the said contracted period. Accordingly, absent any justification for the contract's pre-termination, the Court cannot give credence to petitioners' claim that Quijano was repatriated due to

<sup>&</sup>lt;sup>39</sup> Dionio v. ND Shipping Agency and Allied Services, Inc., G.R. No. 231096, August 15, 2018, 877 SCRA 603, 617.

<sup>&</sup>lt;sup>40</sup> Paleracio v. Sealanes Marines Services, Inc., 835 Phil. 997, 1006 (2018).

<sup>&</sup>lt;sup>41</sup> Dionio v. ND Shipping Agency and Allied Services, Inc., G.R. No. 231096, August 15, 2018, 877 SCRA 603, 617–618.

<sup>&</sup>lt;sup>42</sup> G.R. No. 234346, August 14, 2019, 914 SCRA 220.

# expiration or completion of his employment contract.<sup>43</sup> (Emphasis supplied)

Similarly, in *Daño v. Magsaysay Maritime Corporation*,<sup>44</sup> the seafarer was repatriated prematurely on the 7<sup>th</sup> month out of her nine (9)-month contract. The Court again brushed aside the employer's defense of a finished contract to deny the seafarer's claim for disability benefits.<sup>45</sup>

At any rate, the "EOD" reflected on Celestino's sign-off detail is not necessarily inconsistent with medical repatriation. A seafarer's disembarkation due to medical reasons is among the valid grounds to end a duty or terminate employment under Section 18 of the Philippine Overseas Employment Administration (POEA) – Standard Employment Contract (SEC),<sup>46</sup> which reads:

### SECTION 18. TERMINATION OF EMPLOYMENT

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

B. The employment of the seafarer is also terminated effective upon arrival at the point of hire for any of the following reasons:

1. When the seafarer signs-off and is disembarked for medical reasons pursuant to Section 20 (A) [5] of this Contract.

x x x x (Emphasis supplied)

In this case, the existence of Celestino's medical condition was established by the incident report showing that he was found unconscious inside the vessel's engine room. He underwent a brain MRI and was later diagnosed with *posterior retinae partial tear*, among other illnesses.<sup>47</sup> This is consistent with his claim that he sustained an eye injury on board MCT Monte Rosa, which was the cause of his medical repatriation.

As for respondents' defense that Celestino was already treated and was cleared to return to the vessel prior to repatriation,<sup>48</sup> this is belied by the fact that Celestino was immediately repatriated six (6) days after his medical examination at Houston, Texas. Moreover, the health insurance form bearing Dr. Jenkins' note merely stated his opinion that Celestino's illness is not work-

<sup>45</sup> Id.

<sup>48</sup> Id. at 103.

<sup>&</sup>lt;sup>43</sup> Id. at 230–231.

<sup>&</sup>lt;sup>44</sup> G.R. No. 236351, September 7, 2020, < https://sc.judiciary.gov.ph/15734/>.

<sup>&</sup>lt;sup>46</sup> POEA Memorandum circular No. 10, entitled "AMENDED STANDARD TERMS AND CONDITIONS GOVERNING THE OVERSEAS EMPLOYMENT OF FILIPINO SEAFARERS ON-BOARD OCEAN-GOING SHIPS" (October 26, 2010).

<sup>&</sup>lt;sup>47</sup> *Rollo*, pp. 41 and 69.

related but it did not indicate that his medical condition was fully resolved.<sup>49</sup> The document is thus insufficient to prove that Celestino was declared fit to resume his seafaring duties for the remainder of his contract.

It is therefore evident, gleaned from the circumstances prior to his repatriation and the unexpired term of his contract, that Celestino disembarked from the vessel for medical reasons and not due to end of contract.

Celestino complied with the three (3)-day mandatory reporting requirement under the POEA-SEC

In our jurisdiction, a seafarer may claim disability benefits arising from (1) an injury or illness that manifests or is discovered **during the term of the seafarer's contract**, which is usually while the seafarer is still on board the vessel <u>or</u> (2) an illness that manifests or is discovered **after the contract**, which is when the seafarer has disembarked from the vessel. If the illness or injury falls under the first scenario, as in this case, the procedure on how the seafarer can legally demand and claim disability benefits from the employer/manning agency is found in Section 20 (A) of the 2010 POEA-SEC.<sup>50</sup>

Section 20 (A) of the 2010 POEA-SEC is deemed incorporated in every seafarer's contract of employment,<sup>51</sup> and provides that:

### SECTION 20. COMPENSATION AND BENEFITS

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:

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2.  $x \propto x$  [I]f after repatriation, the seafarer still requires medical attention arising from said injury or illness, he shall be so provided at cost to the employer until such time he is declared fit or the degree of his disability has been established by the company-designated physician.

<sup>&</sup>lt;sup>49</sup> Id. at 41, 60, and 68.

<sup>&</sup>lt;sup>50</sup> See also Ventis Maritime Corporation v. Salenga, G.R. No. 238578, June 8, 2020, <a href="https://sc.judiciary.gov.ph/13152/>">https://sc.judiciary.gov.ph/13152/></a>.

<sup>&</sup>lt;sup>51</sup> Marlow Navigation Phils., Inc. v. Quijano, G.R. No. 234346, August 14, 2019, 914 SCRA 220, 226-227.

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. Payment of the sickness allowance shall be made on a regular basis, but not less than once a month.

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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.

4. Those illnesses not listed in Section 32 of this Contract are disputably presumed as work-related.

x x x x (Emphases supplied)

It is undisputed that Celestino reported to Pacific Manning within two (2) days from repatriation. He asserted that he asked to be referred to a company-designated physician but his request was rejected. Respondents denied this allegation, insisting that they were not informed of Celestino's medical condition.

In several instances, the Court has ruled that whenever confronted by a positive assertion from the seafarer that he was able to comply with the three (3)-day obligation to report to the manning agency but was not referred to a company-designated physician and a plain denial of the manning agency, the seafarer's position is entitled more weight. This is because the requirements under the POEA-SEC are reciprocal in nature – the seafarer is obliged to be present for the post-employment medical examination within three (3) working days upon return, while the employer is required to conduct a meaningful and timely examination of the seafarer.<sup>52</sup> In *Appines v. Elburg* 

<sup>&</sup>lt;sup>32</sup> Magat v. Interorient Maritime Enterprises, Inc., 826 Phil. 570, 584 (2018), citing Career Philippines Shipmanagement, Inc. v. Serna, 700 Phil. 1, 15 (2012). See also Marlow Navigation Phils., Inc. v. Quijano, G.R. No. 234346, August 14, 2019, 914 SCRA 220, 228–230.

Shipmanagement Philippines, Inc.,<sup>53</sup> we stressed that the burden to prove that the seafarer was referred to the company physician falls on the employer, and not the seafarer.<sup>54</sup> To be sure, without the assessment from the company-designated doctor, there is nothing for the seafarer to contest and this entitles him to receive total and permanent disability benefits.<sup>55</sup>

Here, it is apparent that respondents did not refer Celestino to the company-designated physician even though he reported to their office two (2) days after his arrival. Respondents' inaction is consistent with their main defense that Celestino disembarked due to end of contract. However, respondents cannot feign ignorance of Celestino's medical conditions to justify its non-referral to a post-employment medical examination because it had access to Celestino's files, including his contract and the diagnosis of the offshore physicians, Dr. Jenkins and Dr. Sotomayor. In Interorient Maritime Enterprises, Inc. v. Remo,<sup>56</sup> we held that the absence of a post-employment medical examination cannot be used to defeat a seafarer's claim especially when the failure to satisfy this requirement was not due to his fault but because of the inadvertence or deliberate refusal of the employer.<sup>57</sup> Thus, between the polarizing claims of the parties, Celestino's position that he was deprived of medical attention from the company physician prevails. The absence of a postemployment medical examination cannot bar Celestino's claim for disability benefits and sickness allowance.

Celestino's medical condition is work-related and is compensable

Based on Section 20 (A) of the POEA-SEC, there are two (2) elements on compensability of a seafarer's injury or illness: (a) the injury or illness must be **work-related**; and (b) that the work-related injury or illness must have existed **during the term of the seafarer's employment contract**.<sup>58</sup>

In this case, Celestino's nine (9)-month employment contract is from January 30, 2011 to October 30, 2011. On September 11, 2011, Celestino was found unconscious on board the vessel. Before his repatriation on September 21, 2011, he was brought to an offshore hospital in Texas, USA and the MRI findings indicated an eye injury. There, he was diagnosed to be suffering from *posterior retinae partial tear, sinusitis, hyperlipidemia,* and *acute gastroduodenitis.* Clearly, Celestino suffered from an illness **during the term** 

<sup>&</sup>lt;sup>53</sup> 799 Phil. 220 (2016).

<sup>54</sup> Id. at 244.

<sup>&</sup>lt;sup>55</sup> As cited in De Andres v. Diamond H Marine Services & Shipping Agency. Inc., 813 Phil. 746, 763 (2017).

<sup>&</sup>lt;sup>56</sup> 636 Phil. 240 (2010).

<sup>57</sup> Id. at 250-251.

Bahia Shipping Services, Inc. v. Hipe, Jr., 746 Phil. 955, 967–968 (2014). See also Razonable, Jr. v. Torm Shipping Philippines, Inc., G.R. No. 241620, July 7, 2020, <a href="https://sc.judiciary.gov.ph/14102/">https://sc.judiciary.gov.ph/14102/</a>.

of his employment contract as his condition was not the same as when he boarded MCT Monte Rosa.

With regard to the element of work-relatedness, the same POEA-SEC provision requires that **after medical repatriation**, the company-designated physician must assess the seafarer's condition and determine his fitness to work or the degree of disability within 120 days or 240 days.<sup>59</sup> After that, the seafarer may consult his own doctor to dispute the findings of the company-designated physician. If the findings of the company-designated physician and the seafarer's doctor of choice are conflicting, the matter is then referred to a third doctor, whose findings shall be binding on both parties.<sup>60</sup>

In Celestino's case, however, the Court rules that there could no longer be any issue on whether his illness is work-related or not because a seafarer's compliance with the procedure under the POEA-SEC presupposes that the company-designated physician was first able to come up with a valid assessment as to his fitness or unfitness to work before the expiration of the 120-day or 240-day periods. Since there was no medical assessment issued by a company doctor, Celestino has no obligation to secure the opinion of his own doctor and is deemed totally and permanently disabled as of the date of the expiration of the 120-day period counted from his repatriation.<sup>61</sup> It is settled in jurisprudence that absent a valid certification from the companydesignated physician, the seafarer has nothing to contest and the law steps in to conclusively consider his disability as total and permanent.<sup>62</sup>

Article 198. Permanent total disability. - x x x

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(c) The following disabilities shall be deemed total and permanent:

(1) Temporary total disability lasting continuously for more than one hundred twenty days, except as otherwise provided for in the Rules;  $x \times x \times x$ 

See also Section 2, Rule X of the Amended Rules on Employees' Compensation implementing Title II, Book IV of the Labor Code, which provides:

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 120 consecutive days except where such injury or sickness still requires medical attendance beyond 120 days but not to exceed 240 days from onset of disability in which case benefit for temporary total disability shall be paid. However, the System may declare the total and permanent status at any time after 120 days of continuous temporary total disability as may be warranted by the degree of actual loss or impairment of physical or mental functions as determined by the System.

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See also Chan v. Magsaysay Maritime Corporation, G.R. No. 239055, March 11, 2020, <a href="https://sc.judiciary.gov.ph/13148/">https://sc.judiciary.gov.ph/13148/</a>, citing Vergara v. Hammonia Maritime Services, Inc., 588 Phil. 895, 912 (2008).

- <sup>61</sup> Phil-Man Marine Agency, Inc. v. Dedace, Jr., 835 Phil. 537, 550–551 (2018).
- 62 Kestrel Shipping Co., Inc. v. Munar, 702 Phil. 717, 738 (2013).

<sup>&</sup>lt;sup>59</sup> Section 20 (A) of the 2010 POEA-SEC, in relation to Article 198 (c) (1), Title II, Book IV of the Labor Code, as renumbered, which provides:

<sup>&</sup>lt;sup>60</sup> Pacific Ocean Manning, Inc. v. Solacito, G.R. No. 217431, February 19, 2020, <a href="https://sc.judiciary.gov.ph/13113/">https://sc.judiciary.gov.ph/13113/>.</a>

Certainly, the grant of permanent total disability benefits does not require a state of absolute helplessness. It is enough that there is inability to substantially pursue his gainful occupation as seafarer without serious discomfort or pain and without material injury or danger to life.<sup>63</sup> Celestino's illness disabled him to perform his customary job on board the vessel. This incapacity, coupled with the company-designated physician's abdication of the duty to declare the seafarer's fitness or unfitness to work within the prescribed periods under the POEA-SEC, converts the latter's disability to permanent and total by operation of law. To be sure, it is not the injury *per se* which is compensated but the incapacity to work.<sup>64</sup>

Finally, respondents' claim that Celestino is not entitled to attorney's fees lacks merit. An employee is entitled to the award of attorney's fees in actions for indemnity under the employer's liability laws<sup>65</sup> following Article 2208 (8) of the New Civil Code.<sup>66</sup>

In sum, Celestino was medically repatriated and was able to report to the employer within the mandatory three (3)-day period under the POEA-SEC. He has proven that he suffered an eye injury while onboard MCT Monte Rosa. The absence of a valid post-employment medical examination due to respondents' refusal to refer Celestino to a company-designated physician cannot shield his employers from liability. Thus, the grant of permanent total disability benefits, sickness allowance, and attorney's fees are warranted. Further, the total monetary award shall earn legal interest of six percent (6%) per annum from the finality of this Resolution until fully satisfied.<sup>67</sup>

FOR THESE REASONS, the Court GRANTS the petition. The Decision dated January 5, 2015 and Resolution dated August 26, 2015 of the Court of Appeals in CA-G.R. SP No. 130892 are REVERSED. The Decision dated March 27, 2013 of the National Labor Relations Commission in NLRC LAC No. OFW (M) 11-000007-13, awarding US\$60,000.00 permanent total disability benefits, US\$2,792.00 sickness allowance, or their peso equivalent at the time of payment, plus ten percent (10%) thereof as attorney's fees in Junio is REINSTATED with favor of petitioner Celestino M. MODIFICATION in that respondents Pacific Ocean Manning, Inc., represented by its President/Manager Erlinda S. Azucena, and Mega Chemical Tanker are ORDERED to likewise pay interest on the monetary awards at the rate of six percent (6%) per annum from the date of finality of this Resolution until full payment.

<sup>&</sup>lt;sup>63</sup> Magsaysay Mol Marine, Inc. v. Atraje, 836 Phil. 1061, 1081 (2018).

<sup>64</sup> Id.

<sup>&</sup>lt;sup>65</sup> Razonable, Jr. v. Maersk-Filipinas Crewing, Inc., G.R. No. 241674, June 10, 2020, <a href="https://sc.judiciary.gov.ph/13460/">https://sc.judiciary.gov.ph/13460/</a>; and Nazareno v. Maersk Filipinas Crewing, Inc., 704 Phil. 625, 639 (2013).

<sup>&</sup>lt;sup>66</sup> Salas v. Transmed Manila Corporation, G.R. No. 247221, June 15, 2020, <a href="https://sc.judiciary.gov.ph/13013/">https://sc.judiciary.gov.ph/13013/</a>.

<sup>&</sup>lt;sup>67</sup> Nacar v. Gallery Frames, 716 Phil. 267, 282–283 (2013).

Resolution

SO ORDERED.

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WE CONCUR:

MARVI@M.V.F. LEONEN

Associate Justice

ZARO-JAVIER Associate Justice

JHOSEP LOPEZ Associate Justice

ANTONIO T. KHO, JR. Associate Justice

ATTESTATION

I attest that the conclusions in the above Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

M.V.F. LEONEN MARVIC

Associate Justice Chairperson, Third 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 Resolution had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

ESMUNDO