Republic of the Philippines
Supreme Court
Manila

FIRST DIVISION

JOSE RUDY L. BAUTISTA, Petitioner,	**G.R. No. 206032**
- versus -	Present:
ELBURG SHIPMANAGEMENT PHILIPPINES, INC., AUGUSTEA SHIPMANAGEMENT ITALY, and/or Captain ANTONIO S. NOMBRADO,* Respondents.	SERENO, *C.J.,* Chairperson, LEONARDO-DE CASTRO, BERSAMIN, PEREZ, and PERLAS-BERNABE, *JJ.*
	Promulgated: AUG 19 2015

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D E C I S I O N

PERLAS-BERNABE, *J.*:

Assailed in this petition for review on *certiorari*[1] are the Decision[2] dated September 6, 2012 and the Resolution[3] dated February 19, 2013 of the Court of Appeals (CA) in CA-G.R. SP No. 117921, which reversed and set aside the Decision[4] dated September 20, 2010 and the Resolution[5] dated December 20, 2010 of the National Labor Relations Commission (NLRC) in NLRC NCR Case No. (M) 09-13249-09, and dismissed petitioner Jose Rudy L. Bautista's (petitioner) claim for total and permanent disability benefits.

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* Varies throughout the records. Variations are "Antonio Nombredo" and "Antonio S. Nombrano."

1 *Rollo*, pp. 3-26.

2 Id. at 29-40. Penned by Associate Justice Agnes Reyes-Carpio with Associate Justices Rosalinda Asuncion-Vicente and Priscilla J. Baltazar-Padilla concurring.

3 Id. at 42-43.

4 CA *rollo*, pp. 39-47. Penned by Commissioner Dolores M. Peralta-Beley with Presiding Commissioner Leonardo L. Leonida and Commissioner Mercedes R. Posada-Lacap concurring.

5 Id. at 49-50.

The Facts

On August 7, 2008, petitioner entered into a nine (9)-month Contract of Employment with respondent Elburg Shipmanagement Philippines, Inc. (Elburg) on behalf of its foreign principal, respondent Augustea Shipmanagement Italy (Augustea), as Chief Cook on board the vessel "MV Lemno." Prior to his embarkation, petitioner underwent a Pre-Employment Medical Examination (PEME), and was certified as fit for sea duty by the company-designated physician. He then boarded the vessel on August 14, 2008.[6]

During petitioner's employment, he complained of breathing difficulty, weakness, severe fatigue, dizziness, and grogginess. Upon referral to a portside hospital, he was suspected to have "thoracic aneurysm," and thus, was recommended for medical repatriation. Following his repatriation on May 8, 2009, petitioner was referred to Elburg's designated physicians at the Metropolitan Medical Center (MMC) for further evaluation and medical treatment. After several tests, he was diagnosed with "Hypertensive Cardiovascular Disease" and "Diabetes Mellitus II," and thoracic aneurysm was eventually ruled out.[7] On September 4, 2009, the company-designated physician, Dr. Melissa Co Sia (Dr. Sia) issued a working impression that petitioner was suffering from "Hypertension", "Dyslipidemia", and "Chronic Obstructive Pulmonary Disease," with a declaration that he would be cleared to go back to his duties as a seafarer as soon as his blood pressure and lipid levels stabilize.[8]

On September 16, 2009, petitioner filed a complaint against respondents Augustea, Elburg, and the latter's President, Captain Antonio S. Nombrado (respondents), seeking to recover disability benefits applicable to officers amounting to US$118,800.00 [9] pursuant to their Collective Bargaining Agreement[10] (CBA), as well as damages, and attorney's fees, alleging that: (*a*) his illnesses were occupational diseases as they were developed, enhanced, and aggravated by the nature of his work, as well as the environment at the jobsite; and (*b*) he was unable to return to work within 120 days, thereby rendering his disability permanent and total.[11]

For their part,[12] respondents maintained that petitioner's Diabetes Mellitus II was familial or genetic in nature, and thus, not work-connected. Additionally, they averred that his Hypertensive Cardiovascular Disease was a mere complication thereof, and as such, is also not work-related.[13]

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6 Id. at 54 and 58.
7 *Rollo*, p. 30.
8 See medical certificate dated September 4, 2009; CA *rollo*, p. 183.
9 *Rollo*, p. 31.
10 CA *rollo*, pp.124-157.
11 Id. at 110 and 114.
12 See respondents' position paper; id. at 160-173.
13 Id. at 165-168.

Thereafter, petitioner submitted the medical certificate and evaluation dated January 6, 2010 of his own physician, Dr. Efren R. Vicaldo (Dr. Vicaldo), who opined that his illnesses – *i.e.*, "Hypertensive atherosclerotic cardiovascular disease" and "Diabetes mellitus" – rendered him unfit to work as seaman in any capacity, and were considered work-related/ aggravated.[14] The said documents were only attached by petitioner in his reply during the proceedings before the Labor Arbiter (LA).[15]

The LA Ruling

In a Decision[16] dated February 19, 2010, the LA ordered respondents, jointly and severally, to pay petitioner US$89,100.00 representing total and permanent disability benefits under the CBA, plus ten percent (10%) thereof as attorney's fees.

The LA ruled that petitioner's condition was undoubtedly contracted during the term of his contract when he experienced the symptoms of his ailment, considering that he was declared fit for sea duty in his PEME. The LA also lent more credence to the medical certificate issued by Dr. Vicaldo, as being more reflective of petitioner's actual condition. Moreover, while the LA conceded that Diabetes Mellitus II was not a compensable ailment, since petitioner was likewise diagnosed with Hypertensive Cardiovascular Disease, an occupational disease, by no less than the company-designated doctor, his illness remained compensable. Finally, the LA upheld the presumption of incapacity in favor of petitioner considering that his ailment subsisted for more than 120 days.[17]

Aggrieved, respondents appealed to the NLRC.[18]

The NLRC Ruling

In a Decision[19] dated September 20, 2010, the NLRC dismissed respondents' appeal and affirmed the LA's findings. It ruled that while it is true that Diabetes Mellitus II is not an occupational disease, still, the medical diagnosis of petitioner included a finding of Hypertensive Cardiovascular Disease which is listed under Section 32-A of the Philippine Overseas Employment Administration – Standard Employment Contract (POEA-SEC). It further noted that petitioner's medical reports did not state that he suffered from Diabetes Mellitus II *with* Hypertensive Cardiovascular Disease which would have implied that the latter ailment was a mere

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14 See Medical Certificate. Id. at 201-202
15 Id. at 185.
16 Id. at 53-62. Penned by Labor Arbiter Elias H. Salinas.
17 Id. at 58-60.
18 See Notice of Appeal with Memorandum of Appeal dated March 18, 2010; id. at 235-257.
19 Id. at 39-47.

necessary complication thereof. Aside from echoing the findings of Dr. Vicaldo that petitioner's illnesses were work-related, the NLRC ruled that absent any showing that his illnesses were pre-existing, the reasonable presumption is that he obtained them during the period of his employment, and that they were aggravated by the nature of his work as Chief Cook.[20]

Respondents moved for reconsideration[21] which the NLRC denied in a Resolution[22] dated December 20, 2010. Undeterred, they filed a petition for *certiorari* before the Court of Appeals (CA).

Meanwhile, the NLRC issued an entry of judgment in the case, constraining respondents to settle the full judgment award.[23]

The CA Ruling

In a Decision[24] dated September 6, 2012, the CA granted respondents' *certiorari* petition and thereby dismissed petitioner's complaint for disability benefits. It ruled that petitioner failed to prove, through substantial evidence, that his Hypertension and Cardiovascular Disease were suffered during the effectivity of his employment, and that they were connected to his work as Chief Cook. It did not give probative weight to the medical evaluation issued by Dr. Vicaldo as he attended to petitioner only *once* and never conducted any medical tests on him, and in fact, merely limited himself to a medical history review and physical examination of petitioner, noting too that petitioner only sought Dr. Vicaldo's medical opinion four months *after* he filed his complaint. Finally, the CA concluded that the "120-day rule" is not absolute but is dependent on the circumstances of each case, and that petitioner's mere failure to return to his work after 120 days does not *ipso facto* entitle him to maximum disability benefits.[25]

Undaunted, petitioner sought reconsideration, which was, however, denied in a Resolution[26] dated February 19, 2013; hence, this petition.

The Issue Before the Court

The core issue in this case is whether or not the the CA correctly ruled that the NLRC committed grave abuse of discretion in granting petitioner's claim for total and permanent disability benefits.

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20 Id. at 43-44.
21 Id. at 63-94.
22 Id. at 49-50.
23 *Rollo*, p. 23.
24 Id. at 29-40.
25 Id. at 34-38.
26 Id. at 42-43.

The Court's Ruling

The petition is meritorious.

The entitlement of overseas seafarers to disability benefits is a matter governed, not only by medical findings, but also by law and contract.[27] The pertinent statutory provisions are Articles 197 to 199[28] (formerly Articles 191 to 193) of the Labor Code in relation to Section 2,[29] Rule X of the Rules implementing Title II, Book IV of the said Code;[30] while the relevant contracts are: (*a*) the POEA-SEC, which is a standard set of provisions that is deemed incorporated in every seafarer's contract of

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[27] *Jebsen Maritime Inc. v. Ravena*, G.R. No. 200566, September 17, 2014, 735 SCRA 494, 507.

[28] As renumbered in view of Republic Act No. 10151 entitled "AN ACT ALLOWING THE EMPLOYMENT OF NIGHT WORKERS, THEREBY REPEALING ARTICLES 130 AND 131 OF PRESIDENTIAL DECREE NUMBER FOUR HUNDRED FORTY-TWO, AS AMENDED, OTHERWISE KNOWN AS THE LABOR CODE OF THE PHILIPPINES" (approved on June 21, 2011).

> ART. 197. *Temporary Total Disability*. — (a) Under such regulations as the Commission may approve, any employee under this Title who sustains an injury or contracts sickness resulting in **temporary total disability** shall, for each day of such a disability or fraction thereof, be paid by the System an income benefit equivalent to ninety percent of his average daily salary credit, subject to the following conditions: **the daily income benefit shall not be** less than Ten Pesos nor more than Ninety Pesos, nor **paid for a continuous period longer than one hundred twenty days**, except as otherwise provided for in the Rules, and the System shall be notified of the injury or sickness.
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> x x x x
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> ART. 198. *Permanent Total Disability*. — (a) Under such regulations as the Commission may approve, any employee under this Title who contracts sickness or sustains an injury resulting in his **permanent total disability** shall, for each month until his death, be paid by the System during such a disability, an amount equivalent to the monthly income benefit, plus ten percent thereof for each dependent child, but not exceeding five, beginning with the youngest and without substitution: *Provided*, That the monthly income benefit shall be the new amount of the monthly benefit for all covered pensioners, effective upon approval of this Decree.
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> (c) The following disabilities shall be **deemed total and permanent**:
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> (1) **Temporary total disability lasting continuously for more than one hundred twenty days, except as otherwise provided for in the Rules**;
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> x x x x
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> ART. 199. *Permanent Partial Disability*. — (a) Under such regulations as the Commission may approve, any employee under this Title who contracts sickness or sustains an injury resulting in permanent partial disability shall, for each month not exceeding the period designated herein, be paid by the System during such a disability an income benefit for permanent total disability.
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> x x x x (Emphases and underscoring supplied)

[29]

> RULE X
>
> TEMPORARY TOTAL DISABILITY
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> x x x x
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> 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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> x x x x (Emphasis supplied)

[30] Otherwise known as the "Amended Rules on Employees' Compensation."

employment; (*b*) the CBA, if any; and (*c*) the employment agreement between the seafarer and his employer.[31]

In this case, petitioner executed his employment contract with respondents on August 7, 2008. Accordingly, the provisions of the 2000 POEA-SEC are applicable and should govern their relations. Sec. 20 (B) (6), of the 2000 POEA-SEC provides:

> SECTION 20. COMPENSATION AND BENEFITS
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> x x x x
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> B. COMPENSATION AND BENEFITS FOR INJURY OR ILLNESS
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> 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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> x x x x
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> 6. In case of **permanent total or partial disability of the seafarer caused by either injury or illness** the seafarer shall be compensated in accordance with the schedule of benefits arising from an illness or disease shall be governed by the rates and the rules of compensation applicable at the time the illness or disease was contracted. (Emphasis supplied.)

Pursuant to the afore-quoted provision, two (2) elements must concur for an injury or illness to be compensable: *first*, that the injury or illness must be work-related; and *second*, that the work-related injury or illness must have existed during the term of the seafarers employment contract.[32]

The 2000 POEA-SEC defines "work-related injury" as "injury(ies)" resulting in disability or death arising out of and in the course of employment" and "work-related illness" as "any sickness resulting to disability or death as a result of an occupational disease listed under Section 32-A of this contract with the conditions set therein satisfied," *viz.*:

> 1. The seafarer's work must involve the risks described herein;
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> 2. The disease was contracted as a result of the seafarer's exposure to the described risks;
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> 3. The disease was contracted within a period of exposure and under such other factors necessary to contract it; and
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> 4. There was no notorious negligence on the part of the seafarer.

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31 See *Jebsen Maritime Inc. v. Ravena*, supra note 27, at 507-508.

32 *Magsaysay Maritime Services v. Laurel*, G.R. No. 195518, March 20, 2013, 694 SCRA 225, 238; *Nisda v. Sea Serve Maritime Agency*, 611 Phil. 291, 317 (2009).

Section 32-A (11) of the 2000 POEA-SEC expressly considers Cardiovascular Disease (CVD) as an occupational disease if it was contracted under **any** of the following instances, to wit:

> (a) If the heart disease was known to have been present during employment, there must be proof that an acute exacerbation was clearly precipitated by the unusual strain by reasons of the nature of his work.
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> (b) The strain of work that brings about an acute attack must be sufficient severity and must be followed within 24 hours by the clinical signs of cardiac insult to constitute causal relationship.
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> (c) **If a person who was apparently asymptomatic before being subjected to strain at work showed signs and symptoms of cardiac injury during the performance of his work and such symptoms and signs persisted, it is reasonable to claim a causal relationship.** (Emphasis supplied)

Consequently, for CVD to constitute as an occupational disease for which the seafarer may claim compensation, it is incumbent upon said seafarer to show that he developed the same under any of the three conditions identified above.[33]

Records reveal that sometime during the performance of his duties as Chief Cook on board MV Lemno, petitioner complained of breathing difficulty, weakness, severe fatigue, dizziness, and grogginess, necessitating portside medical intervention and consequent medical repatriation, albeit, on the basis of suspected "thoracic aneurysm." Shortly after repatriation, he was diagnosed, *inter alia*, with Hypertensive Cardiovascular Disease, also known as **hypertensive heart disease**, which refers to a heart condition caused by high blood pressure.[34]

Petitioner's condition was apparently asymptomatic [35] since he manifested no signs and symptoms of any cardiac injury prior to his deployment onboard MV Lemno and was, in fact, declared fit for sea duty following his PEME. Notably, petitioner's physical discomforts on-board the vessel already bore the hallmarks of CVD for which he was eventually diagnosed upon his repatriation. The said diagnosis was recognized by both the company-designated doctors and petitioner's own doctor, and was well-documented. Thus, absent any showing that petitioner had a pre-existing cardiovascular ailment prior to his embarkation, the reasonable presumption is that he acquired his hypertensive cardiovascular disease **in the course of**

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33 *Jebsens Maritime, Inc. v. Undag*, 678 Phil. 938, 946 (2011).

34 <http://www.healthline.com/health/hypertensive-heart-disease#Overview1> (last visited on July 29, 2015).

35 Symptomless and presenting no subjective evidence of disease; see *Leviste v. Social Security System* (*Solid Mills, Inc.*), 564 Phil. 110, 117 (2007), citing Webster's Third New International Dictionary, 1981 Edition.

his employment pursuant to Section 32-A (11) (c) of the 2000 POEA-SEC, which recognizes a "causal relationship" between a seafarer's CVD and his job, and qualifies his CVD as an occupational disease. In effect, the said provision of law establishes in favor of a seafarer the presumption of compensability of his disease.

A party in whose favor the legal presumption exists may rely on and invoke such legal presumption to establish a fact in issue.[36] The effect of a presumption upon the burden of proof is to create the need of presenting evidence to overcome the *prima facie* case created, thereby which, if no contrary proof is offered, will prevail.[37] However, other than their bare and self-serving assertion that petitioner's Hypertensive Cardiovascular Disease was a mere complication of his Diabetes Mellitus II, respondents failed to introduce countervailing evidence that would otherwise overcome the disputable presumption of compensability of the said disease.

Verily, it is not required that the employment of petitioner as Chief Cook should be the sole factor in the development of his hypertensive cardiovascular disease so as to entitle him to claim the benefits provided therefor. It suffices that his employment as such had contributed, even in a small degree, to the development of the disease.[38] Thus, it is safe to presume that, at the very least, the nature of petitioner's employment had contributed to the aggravation of his illness, considering that as Chief Cook, he was exposed to constant temperature changes, stress, and physical strain.

The fact that petitioner was also diagnosed as having Diabetes Mellitus II was of no moment since the incidence of a listed occupational disease, whether or not associated with a non-listed ailment, is enough basis for compensation, although modern medicine has in fact recognized that diabetes, heart complications, hypertension and even kidney disorders are all inter-related diseases.[39] Besides, Section 20 (B) (4)[40] of the 2000 POEA-SEC explicitly establishes a disputable presumption of compensability in favor of the seafarer and the burden rests upon the employer to overcome the statutory presumption,[41] which respondents failed to discharge. Notably, it was not disputed that from the time of petitioner's repatriation until the filing of the present petition, he was not able to return to his customary work.

Accordingly, the Court finds that the CA committed reversible error in granting respondents' *certiorari* petition since the NLRC did not gravely

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36 See *Angeles v. Angeles-Maglaya*, 506 Phil. 347, 356 (2005).
37 See *Lastrilla v. Granda*, 516 Phil. 667, 686 (2006).
38 *Magsaysay Maritime Services v. Laurel*, supra note 32, at 245.
39 See *Government Service Insurance System v. Villareal*, 549 Phil. 504, 510 (2007).
40 Those illnesses not listed in Section 32 of this Contract are **disputably presumed as work related**.
41 *Magsaysay Maritime Services v. Laurel*, supra note 32, at 244.

abuse its discretion in awarding total and permanent disability benefits in favor of petitioner, the same being amply supported by substantial evidence.

WHEREFORE, the petition is **GRANTED**. The Decision dated September 6, 2012 and the Resolution dated February 19, 2013 of the Court of Appeals in CA-G.R. SP No. 117921 are hereby **REVERSED** and **SET ASIDE.** The Decision dated September 20, 2010 and the Resolution dated December 20, 2010 of the National Labor Relations Commission in NLRC NCR Case No. (M) 09-13249-09 granting petitioner Jose Rudy L. Bautista's claim for total and permanent disability benefits are **REINSTATED.**

SO ORDERED.

ESTELA M. PERLAS-BERNABE
Associate Justice

WE CONCUR:

MARIA LOURDES P. A. SERENO
Chief Justice
Chairperson

TERESITA J. LEONARDO-DE CASTRO
Associate Justice

LUCAS P. BERSAMIN
Associate Justice

JOSE PORTUGAL PEREZ
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.

MARIA LOURDES P. A. SERENO
Chief Justice