698 Phil. 170

THIRD DIVISION

[G.R. No. 194758, October 24, 2012]

RUBEN D. ANDRADA, PETITIONER, VS. AGEMAR MANNING AGENCY, INC., AND/OR SONNET SHIPPING LTD./MALTA, RESPONDENTS.

D E C I S I O N

MENDOZA, J.:

This is a petition for review on certiorari seeking to reverse and set aside the May 28, 2010 Decision[1] of the Court of Appeals (CA) and its December 9, 2010 Resolution[2] in CA-G.R. SP No. 109853 entitled *"Ruben D. Andrada v. National Labor Relations Commission, Agemar Manning Agency, Inc., and/or Sonnet Shipping Ltd./Malta."*

The Facts

On June 23, 2003, petitioner Ruben D. Andrada (*Andrada*) was employed by respondent Agemar Manning Agency, Inc. (*Agemar Manning*), for and in behalf of its foreign principal, respondent Sonnet Shipping Ltd./Malta (*Sonnet Shipping*), as chief cook steward on board M/T Superlady for a contract period of twelve (12) months which was, upon his request, extended for another five (5) months. Andrada's basic monthly salary was US$650.00 plus US$65.00 tanker allowance on a 48-hour work week, with a fixed overtime pay of US$195.00 for 105 hours per month and vacation leave with pay of four days a month. Andrada finished five (5) contracts of employment with the respondents from December 1994 to April 2003 on board their other vessels. Prior to his last embarkation, Andrada underwent a pre-employment medical examination (PEME) and was found fit for sea service. He boarded his vessel on June 24, 2003.

Sometime in April 2004, while the vessel was navigating in high seas, Andrada experienced severe abdominal pain while carrying heavy food provisions which was part of his job. Thinking that it would not lead to any serious consequences, he just let it pass. The abdominal pain, however, recurred during the latter part of his extended contract. On October 10, 2004, he was referred to the Island Healthy Center in Texas, U.S.A., where he was diagnosed with umbilical hernia. Andrada was advised to undergo surgery and to use a girdle whenever he lifted heavy objects. Andrada requested for a medical sign-off and was repatriated to the Philippines on December 8, 2004 so he could continue his treatment and medication as per advice of a doctor in Texas, U.S.A.

On the day following his arrival, Andrada immediately reported to the Agemar Manning, which referred him to YGEIA Medical Clinic for a general check-up. In a letter, dated December 14, 2004, Dr. Roberto M. De Leon (*Dr. De Leon*) recommended that Andrada

should undergo surgical operation of his umbilical hernia and multiple gallbladder stones at the soonest time possible. On January 25, 2005, the medical procedures called umbilical herniorrhapy and laparoscopic cholecystectomy were performed on him at the Philippine General Hospital where he was confined for five (5) days, from January 25 to 29, 2005, under the care of Dr. Jose Macario V. Faylona (*Dr. Faylona*).

On February 8, 2005, as he could still feel the symptoms of his illness, Andrada consulted Dr. Efren R. Vicaldo (*Dr. Vicaldo*) of the Philippine Heart Center. In his medical certificate, Dr. Vicaldo came out with the following prognosis: Hypertension, essential; Gall bladder stone; S/P laparascopic cholecystectomy; Umbilical Hernia, S/P repair; Impediment Grade VIII (33.59%). Dr. Vicaldo opined that Andrada's illness was considered work aggravated/related. He concluded that Andrada was unfit to resume work as a seaman in any capacity and could not be expected to land a gainful employment due to his medical condition.[3]

Record bears out that Dr. Faylona, through a letter, dated March 14, 2005, certified that Andrada was "fully recovered from the surgery and is now fit to work."[4] On March 21, 2005 or almost two months after his surgery, Andrada submitted himself to a medical check-up at the YGEIA Medical Clinic. In the progress report, dated March 22, 2005, Dr. Maria Cristina L. Ramos (Dr. Ramos), the medical director of YGEIA Medical Clinic, declared Andrada as fit to work effective March 22, 2005.[5] On April 21, 2005, Andrada signed the Deed of Release, Waiver and Quitclaim wherein he acknowledged receipt of the amount of $3,501.53 or its peso equivalent of P192,357.41.[6] The said deed stated that Andrada was thereby releasing and discharging the respondents from all actions, complaints and demands on account or arising out of his employment as a seaman on board M/T Superlady.[7]

Notwithstanding, Andrada demanded payment of disability and illness allowance/benefits from the respondents pursuant to the Philippine Overseas Employment Administration (*POEA*) Standard Employment Contract (*POEA-SEC*) on the basis of the findings/recommendations of Dr. Vicaldo. His claims were refused.

On May 26, 2005, Andrada filed a complaint[8] for the recovery of disability benefits, sickness allowance, reimbursement of medical expenses, damages, and attorney's fees against the respondents. The parties were required to submit their respective position papers due to their failure to amicably settle their disputes during the mandatory conciliation conference.

On January 9, 2007, Labor Arbiter Ramon Valentin C. Reyes (*LA*) rendered judgment and ruled that Andrada was entitled to disability benefits. The LA opined that his inability to perform his work for more than 120 days constituted permanent total disability. He gave scant consideration on the two certifications separately issued by Dr. Faylona and Dr. Ramos which he considered self-serving and biased in favor of the respondents and certainly could not be considered independent. The LA said that his umbilical hernia was contracted during his employment with the respondents for the last ten (10) years because his job entailed the lifting of heavy food provisions. He added that considering this long stint with the respondents, Andrada's non-

redeployment put in doubt the respondents' claim that he was indeed fit to work. The dispositive portion of said judgment reads:

> WHEREFORE, premises considered, judgment is hereby rendered ordering the respondents Agemar Manning Agency, Inc. and/or Sonnet Shipping Ltd./Malta to pay complainant Ruben D. Andrada the amount of THIRTY TWO THOUSAND FOUR HUNDRED NINETEEN US DOLLARS & 20/100 (US$32,419.20) or its equivalent in Philippine Peso at the prevailing rate of exchange at the time of actual payment representing his disability benefits, sickness wages and attorney's fees.
>
> All other claims are DISMISSED for lack of merit.
>
> SO ORDERED.[9]

On appeal, the National Labor Relations Commission (*NLRC*) reversed the judgment of the LA ratiocinating that Andrada's claim for disability benefit was bereft of legal and factual basis in the face of the certificate of fitness to work issued by the company-designated physician. The NLRC said that the findings and assessment of the company-designated physician, who also supervised and monitored Andrada's treatment, should be upheld as the truthful declaration of the latter's medical status at the time of the issuance of the certificate. It was likewise ruled that the execution by Andrada of the Deed of Release, Waiver and Quitclaim effectively negated his claim for disability benefits. Lastly, the NLRC declared that Andrada's non-disclosure of the fact that he was afflicted with umbilical hernia as early as 2002 further precluded him from claiming said disability benefits. The award of sickness wages was also set aside because the same was already paid to Andrada as shown by copies of the corresponding check vouchers issued by the respondents. Thus, the NLRC adjudged:

> WHEREFORE, premises considered, the Decision dated January 7, 2007 is hereby SET ASIDE and a new one entered dismissing the complaint for lack of merit.
>
> SO ORDERED.[10]

Aggrieved, Andrada assailed the NLRC decision via a petition for certiorari before the CA ascribing grave abuse of discretion on the part of the NLRC for denying his entitlement for disability benefits and other monetary claims.

On May 28, 2010, the CA rendered its judgment finding that the challenged decision of the NLRC was in accordance with law and prevailing jurisprudence and that no grave abuse of discretion amounting to lack or excess of jurisdiction could be imputed against it for reversing the January 9, 2007 LA decision. The CA disposed the case as follows:

WHEREFORE, the petition is DISMISSED. The assailed Decision and Resolution of the NLRC are AFFIRMED. Costs against the Petitioner.

SO ORDERED.[11]

Andrada's motion for reconsideration was denied by the CA in its Resolution, dated December 9, 2010. Hence, he filed this petition raising the following

ISSUES

THE COURT OF APPEALS COMMITTED AN ERROR OF LAW IN DISREGARDING JURISPRUDENCE INTERPRETING THE PROVISIONS OF SECTION 20(B), PARAGRAPH 3 OF THE POEA STANDARD CONTRACT REGARDING THE AUTHORITY OF THE COMPANY-DESIGNATED PHYSICIAN.

THE COURT OF APPEALS COMMITTED AN ERROR OF LAW WHEN IT DID NOT APPLY THE CORRECT LAW AND JURISPRUDENCE ON CLAIMS FOR FULL DISABILITY BENEFITS AND ATTORNEY'S FEES.

THE COURT OF APPEALS COMMITTED AN ERROR OF LAW IN UPHOLDING THE QUITCLAIM EXECUTED BY PETITIONER AS TO BAR HIS CLAIM FOR DISABILITY BENEFITS.[12]

Arguments

Essentially, Andrada argues that the company-designated physician is not conferred with the sole and exclusive authority to determine whether a seafarer is suffering from disability or whether his sickness is work-related and, hence, his declaration anent the medical condition of the seafarer is not conclusive upon the latter and the courts. He posits that the Court should weigh the inherent merits of the assessment of the company-designated physician and of his independent doctor taking into consideration not only its medical significance but more importantly, his ability to still perform his laborious and strenuous work after the surgery.

Andrada insists that umbilical hernia is an occupational disease and one of its risk factors is the lifting of heavy objects which was part of his job. He claims that he could no longer perform his customary work despite the repair of his umbilical hernia because there was always a risk that his medical condition could recur. He avers that the Deed of Release, Waiver and Quitclaim pertained only to the payment of sickness allowance and not to disability benefits which have yet to be settled. He adds that a deed of release or quitclaim cannot bar an employee from demanding benefits to which he is legally entitled to receive, and any agreement whereby a worker agrees to receive less compensation than what he is entitled to recover is invalid.

By way of Comment,[13] the respondents counter that the errors raised by Andrada

involve questions of fact as these would require the examination and determination of the evidentiary weight of the documents submitted by the latter, specifically the medical certificate issued by Dr. Vicaldo and the Deed of Release, Waiver and Quitclaim executed by him. They posit that factual issues may not be passed upon by this Court through a petition for review on certiorari under Rule 45 and Andrada did not cite any circumstances that could warrant exemption from this rule.

On the merits, the respondents argue that Andrada's entitlement for disability benefits was negated by the pronouncement of his fitness to work by Dr. Ramos, the company-designated physician, and by Dr. Faylona, the physician who treated him extensively. They stress that the CA was correct in not giving weight on the medical assessment of Andrada's private doctor, Dr. Vicaldo, because the same was not supported by any medical record and was issued after a single medical check-up done merely ten days after his surgery. They assert that Andrada's alleged disability is not compensable because his umbilical hernia was pre-existing. Lastly, they contend that the Deed of Release, Waiver and Quitclaim is valid, and cover all possible claims that Andrada may have against them including the disability benefits.

The Court's Ruling

From a perusal of the arguments of Andrada, it is quite apparent that this petition is raising questions of facts inasmuch as this Court is being asked to revisit and assess anew the factual findings of the CA and the NLRC. Andrada is fundamentally assailing the findings of the CA and the NLRC that the evidence on record did not support his claim for disability benefits. In effect, he would have the Court sift through, calibrate and re-examine the credibility and probative value of the evidence on record so as to ultimately decide whether or not there is sufficient basis to hold Agemar Manning and Sonnet Shipping accountable for refusing to pay for his disability benefits under the POEA's Revised Standard Terms and Conditions Governing the Employment of Filipino Seafarers on Board Ocean-Going Vessels, which is deemed written in his contract of employment. This clearly involves a factual inquiry, the determination of which is the statutory function of the NLRC.[14]

Elementary is the principle that this Court is not a trier of facts and this doctrine applies with greater force in labor cases. Questions of fact are for the labor tribunals to resolve.[15] Only errors of law are generally reviewed in petitions for review on *certiorari* criticizing decisions of the CA. Moreover, findings of fact of quasi-judicial bodies like the NLRC, as affirmed by the CA, are generally conclusive on this Court.[16]

In exceptional cases, however, the Court may be urged to probe and resolve factual issues when there is insufficient or insubstantial evidence to support the findings of the tribunal or the court below, or when too much is concluded, inferred or deduced from the bare or incomplete facts submitted by the parties or, where the LA and the NLRC came up with conflicting positions.[17] In the case at bench, considering the conflicting findings of the LA, on one hand, and the NLRC and the CA, on the other, this Court is impelled to resolve the factual issues along with the legal ones. The core issue is whether or not Andrada is entitled to disability benefits on account of his medical condition.

The Court rules in the negative.

The issue of whether the petitioner can legally demand and claim disability benefits from the respondents for an illness suffered is best addressed by the provisions of the POEA-SEC which incorporated the 2000 Amended Standard Terms and Conditions Governing the Employment of Filipino Seafarers on Board Ocean-Going Vessels. Section 20 thereof provides:

> Section 20 [B]. *Compensation and Benefits for Injury or Illness*
>
> x x x
>
> 2. xxx
>
> However, if 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 as he is declared fit or the degree of his disability has been established by the company-designated physician.
>
> 3. Upon sign-off from the vessel for medical treatment, the seafarer is entitled to sickness allowance equivalent to his basic wage until he is declared fit to work or the degree of his permanent disability has been assessed by the company-designated physician, but in no case shall this period exceed one hundred twenty (120) days.
>
> For this purpose, the seafarer shall submit himself to a post-employment medical examination by a company-designated physician within three working days upon his return except when he is physically incapacitated to do so, in which case, a written notice to the agency within the same period is deemed as compliance. 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.

Jurisprudence is replete with pronouncements that it is the company-designated physician who is entrusted with the task of assessing the seaman's disability, whether total or partial, due to either injury or illness, during the term of the latter's employment.[18] It is his findings and evaluations which should form the basis of the seafarer's disability claim. His assessment, however, is not automatically final, binding or conclusive on the claimant, the labor tribunal or the courts,[19] as its inherent merits would still have to be weighed and duly considered. The seafarer may dispute such assessment by seasonably exercising his prerogative to seek a second opinion and

consult a doctor of his choice.[20] In case of disagreement between the findings of the company-designated physician and the seafarer's doctor of choice, the employer and the seaman may agree jointly to refer the latter to a third doctor whose decision shall be final and binding on them.

The Court notes that the dispute regarding Andrada's medical condition could have been easily clarified and resolved had the parties observed and stayed true to the procedure laid down in Section 20 (B), par. 3 of the POEA-SEC. Considering that the parties did not jointly resort to seek the opinion of a third physician in the determination and assessment of Andrada's disability or the absence of it, the credibility of the findings of their respective doctors was properly evaluated by the NLRC[21] on the basis of their inherent merits.

Andrada based his claim for disability benefits on the medical certificate, dated February 8, 2005, issued by Dr. Vicaldo who assessed his alleged disability as impediment grade VIII (33.59%). Record, however, shows that said medical certification was not supported by such diagnostic tests and/or procedures as would adequately refute the normal results of those administered to Andrada by the physicians at the YGEIA Medical Clinic and by Dr. Faylona at the Philippine General Hospital. Dr. Vicaldo's justification for his assessment of impediment grade VIII was merely anchored on the following general impressions, to wit:

- This patient/seaman is a known case of umbilical hernia. He is also known hypertensive for three years now and is currently on anti-hypertensive medication.
- On routine laboratory exam (abdominal ultrasound), he was noted to have cholecystolithiasis. He underwent laparoscopic cholecystectomy and umbilical herniorrhapy at Philippine General Hospital on January 7, 2005.
- When seen at the clinic, his blood pressure was 130/90 mmHg; he presented with post lap chole and post umbilical hernia scars on the abdomen.
- He is now unfit to resume work as seaman in any capacity.
- His illness is considered work aggravated/related
- He would require lifetime maintenance medication to control his hypertension and prevent other cardiovascular complications such as coronary artery disease, stroke, congestive heart failure and renal insufficiency.
- He may experience bowel disturbances after his gall bladder surgery.
- He is not expected to land a gainful employment given his medical background.

Verily, Andrada had nothing to support his claim other than the cryptic comments of Dr. Vicaldo, that "his illness is considered work aggravated/related," and "he is now unfit to resume work as seaman...," without specifically indicating the ailment being adverted to and without elaborating on how he arrived at such conclusions. The declarations were plain statements; nothing more followed. To the mind of the Court, Dr. Vicaldo must be

referring to hypertension as the illness that rendered Andrada unfit to resume work because according to the said doctor a lifetime maintenance medication is required to control this sickness and to prevent other cardiovascular complications. It could not have been umbilical hernia because the same had already been repaired or cholecystolithiasis because the gall stones were already removed during the surgery performed on him. Dr. Vicaldo even noted the scars in his abdomen. The problem is that hypertension was not the illness, for which he was seeking compensation. Also, there was no showing that hypertension was directly connected with the abdominal pains he suffered, the reason why he was medically repatriated. There was not a single instance when he complained about his hypertension while in the vessel. At any rate, no medical records or other sufficient proof was adduced to substantiate the above findings and evaluations of Dr. Vicaldo.

True, strict rules on evidence are not applicable in claims for compensation and disability benefits. Probability and not ultimate degree of certainty is the test of proof in compensation proceedings.[22] It cannot be gainsaid, however, that award of compensation and disability benefits cannot rest on speculations, presumptions or conjectures. In the absence of adequate tests and reasonable findings to support the same, Dr.Vicaldo's assessment should not be taken at face value. The oft-repeated rule is that whoever claims entitlement to the benefits provided by law should establish his or her right thereto by substantial evidence.[23] In labor cases, as in other administrative proceedings, substantial evidence is required and it is such relevant evidence as a reasonable mind might accept as adequate to support a conclusion,[24] often described as more than a scintilla. The *onus probandi* fell on Andrada to establish his claim for disability benefits by the requisite quantum of evidence to serve as basis for the grant of relief. In this task, he failed.

The Court sustains the NLRC in ruling that the separate assessments of the company-designated physician and Dr. Faylona as to the medical condition of Andrada deserved greater evidentiary weight than that of Dr. Vicaldo. The respondents exerted real efforts to extend medical assistance and paid his sickness allowance and even for all the expenses incurred in the course of the treatment of Andrada. The company-designated physician, Dr. Ramos, monitored his health status from the beginning and, thus, the Court cannot simply throw out her certification, as Andrada suggested. Records show that it was Dr. Ramos who referred his health problems to the proper medical specialist so that the appropriate and necessary surgeries could be performed on him and, whose medical results were not essentially disputed; who kept track of his medical case during its progress; and who issued the certification of his fitness to work, dated March 22, 2005, on the basis of the available medical records.

The certification issued by Dr. Faylona likewise deserves credence. Let it be underscored that Dr. Faylona was the one who performed the laparoscopic cholecystectomy and umbilical herniorrhapy on Andrada. Dr. Faylona also monitored and attended to Andrada's treatment and recuperation from January 25 to 29, 2005 at the Philippine General Hospital. Certainly, this enabled Dr. Faylona to acquire detailed knowledge of Andrada's medical condition and, thus, was in a better position to reach an accurate evaluation of his health condition and his fitness for work resumption. On the other hand, it is undisputed that the recommendation of Dr. Vicaldo was based on a

single medical report which outlined the alleged findings and medical history of Andrada obtained after Dr. Vicaldo examined him only once. It is pristine clear that the examination and treatment of Andrada by Dr. Faylona had been more extensive than the examination conducted by Dr. Vicaldo.

It must be emphasized, at this juncture, that the declaration of Andrada's fitness to work by Dr. Faylona on March 14, 2005 and by Dr. Ramos on March 22, 2005, were made well within the 120-day treatment or the temporary total disability period from the date of the seafarer's sign-off. Viewed in this perspective, both the NLRC and the CA were legally correct when they refused to recognize that Andrada was suffering from any disability, whether permanent or temporary, because he had already been cleared to go back to work.

Additionally, it is worth pointing out that instead of questioning the assessment done by Dr. Ramos and by Dr. Faylona, Andrada executed the Deed of Release, Waiver and Quitclaim in favor of the respondents on April 21, 2005. By doing so, Andrada impliedly admitted the correctness of the medical assessments, and acknowledged to have "completely released and forever discharged" the respondents "from all actions, claims, complaints and demand whatsoever xxx on account of or arising out of my employment as seaman on board MT Superlady."[25] Considering Andrada's non-entitlement to disability benefits, this Court does not see the need to delve on the issue of whether the Deed of Release, Waiver and Quitclaim precluded him from recovering said benefits.

The Court is not unaware of the principle that, consistent with the purpose underlying the formulation of the POEA-SEC, its provisions must be applied fairly, reasonably and liberally in favor of the seafarers, for it is only then that its beneficent provisions can be carried into effect.[26] Said exhortation, however, cannot be taken to sanction award of disability benefits anchored on flimsy evidence. There is nothing on record that would justify a compensation on top of the monetary aid and assistance already extended to Andrada by respondents Agemar Manning and Sonnet Shipping.

WHEREFORE, the petition is **DENIED**. The assailed May 28, 2010 Decision and the December 9, 2010 Resolution of the Court of Appeals in CA-G.R. SP No. 109853 are hereby **AFFIRMED**.

SO ORDERED.

Velasco, Jr., (Chairperson), Leonardo-De Castro,[*] *Peralta,* and *Abad, JJ.*, concur.

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[*] Designated additional member, per Special Order No. 1343, dated October 9, 2012.

[1] Penned by Associate Justice Normandie B. Pizarro with Associate Justice Amelita G. Tolentino and Associate Justice Ruben C. Ayson, concurring; *rollo* pp. 259-275.

[2] Id. at 291-292.

[3] Id. at 11-16.

[4] Id. at 222.

[5] Id. at 222-223.

[6] Id. at 223.

[7] Id. at 224.

[8] Id. at 44-45.

[9] Id. at 119.

[10] Id. at 172.

[11] Id. at 274.

[12] Id. at 18-19.

[13] Id. at 309-324.

[14] *CBL Transit, Inc. v. National Labor Relations Commission,* 469 Phil. 363, 371 (2004).

[15] *Alfaro v. Court of Appeals,* 416 Phil. 310, 318 (2001).

[16] *Acevedo v. Advanstar Company, Inc.,* 511 Phil. 279, 287 (2005).

[17] *Nisda v. Sea Serve Maritime Agency,* G.R. No. 179177, July 23, 2009, 593 SCRA 668, 689.

[18] *Coastal Safeway Marine Services, Inc. v. Esguerra*, G.R. No. 185352, August 10, 2011, 655 SCRA 300, 307-308; *German Marine Agencies, Inc. v. National Labor Relations Commission,* 403 Phil. 572, 588 (2001).

[19] *Maunlad Transport, Inc. v. Manigo, Jr.,* G.R. No. 161416, June 13, 2008, 554 SCRA 446, 457.

[20] *Seagull Maritime Corp. v. Dee,* G.R. No. 165156, April 2, 2007, 520 SCRA 109, 188.

[21] *Magsaysay Maritime Corp. v. Velasquez*, G.R. No. 179802, November 14, 2008, 571 SCRA 239, 249.

[22] *NFD International Manning Agents, Inc. v. National Labor Relations Commission,* 336 Phil. 466, 474 (1997).

[23] *Signey v. Social Security System*, G.R. No. 173582, January 28, 2008, 542 SCRA 629, 639.

[24] *Oriental Shipmanagement Co., Inc. v. Bastol,* G.R. No. 186289, June 29, 2010, 622 SCRA 352, 377.

[25] *Rollo*, p. 322.

[26] *Philippine Transmarine Carriers v. National Labor Relations Commission*, 405 Phil. 487, 495 (2001).
