

SECOND DIVISION

[G.R. No. 241857, June 17, 2019]

**CAREER PHILS. SHIPMANAGEMENT, INC., CMA SHIPS UK LIMITED,
AND SAMPAGUITA D. MARAVE, PETITIONERS, VS. JOHN
FREDERICK T. TIQUIO, RESPONDENT.**

DECISION

PEARLS-BERNABE, J .:

Assailed in this petition for review on *certiorari*^[1] are the Decision^[2] dated February 7, 2018 and the Resolution^[3] dated August 30, 2018 of the Court of Appeals (CA) in CA-G.R. SP No. 145518, which reversed and set aside the Decision^[4] dated November 26, 2015 and the Resolution^[5] dated February 29, 2016 of the National Labor Relations Commission (NLRC) in NLRC LAC OFW (M)-06-000494-15 and accordingly, reinstated the Decision^[6] dated April 30, 2015 of the Labor Arbiter (LA) in NLRC-NCR-Case No. 09-10777-14 granting respondent John Frederick T. Tiquio's (Tiquio) claim for total and permanent disability benefits under the Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC),^[7] as well as attorney's fees.

The Facts

On November 14, 2012, petitioners Career Phils.^[8] Shipmanagement, Inc., acting on behalf of CMA Ships UK Limited (petitioners), hired Tiquio as ordinary seaman under a nine (9)-month employment contract.^[9] He embarked on the vessel "CMA CGM HYDRA" on November 16, 2012. On June 17, 2013, while on board the vessel en route to France, Tiquio suffered high fever, nausea, and vomiting. Despite medications, his condition worsened.^[10] Thus, he was sent to an offshore clinic in France on June 28, 2013, where he was diagnosed with hyperthyroidism,^[11] and was recommended for repatriation for proper medical treatment.^[12] As a result, Tiquio was medically repatriated on June 29, 2013 and was immediately referred to the Associated Marine Officers' and Seamen's Union of the Philippines Seamen's Hospital, where he was diagnosed by Dr. Jay S. Fonte (Dr. Fonte), the company-designated physician (CDP), with hyperthyroidism secondary to Graves' Disease.^[13] Tiquio thereafter underwent medical treatment for a year.^[14] On June 23, 2014,^[15] Dr. Fonte issued a Medical Certification^[16] stating that Tiquio's status post radioactive iodine therapy showed persistence of symptoms, and thus, referred the latter for repeat radioactive iodine therapy. Additionally, Dr. Fonte reiterated that Tiquio is unfit for work and that his illness is "NOT Work Oriented."^[17]

Subsequently, Tiquio filed a complaint^[18] on **September 1, 2014** for disability benefits, reimbursement of medical and hospital expenses, moral and exemplary damages, as well as attorney's fees. He averred that since the onset of his illness, which occurred during the term of his contract, he was not able to perform any gainful occupation or earn wages in the same kind of work that he was trained or accustomed to perform.^[19] He added that he was entitled to reimbursement of the medical and transportation expenses he incurred from June 26, 2013 amounting to One Hundred Twenty Thousand Pesos (P120,000.00) as petitioners stopped giving him medical assistance,^[20] as well as moral and exemplary damages since petitioners acted in bad faith when they refused to honor their contractual obligations to pay him his benefits.^[21] Lastly, he claimed that he consulted an independent doctor who declared him unfit for sea duty and that his illness is work-related,^[22] but without presenting any medical certificate supporting these claims.^[23]

In their defense,^[24] petitioners argued that Tiquio's Graves' Disease is an autoimmune disease affecting the thyroid which is, therefore, not work-oriented as certified to by Dr. Fonte.^[25] They added that contrary to his claim, Tiquio was given radioactive iodine treatment and medications for his illness and was paid his sickness allowance.^[26] Finally, they argued that the immediate riling of the complaint was a breach of his contractual obligation to have the alleged conflicting assessments of the CDP and his own physician — whose opinion was not supported by evidence — be assessed by a third doctor for a final determination.^[27]

Thereafter, or on **December 16, 2014**, Tiquio submitted a Rejoinder^[28] attaching thereto the medical certificate^[29] dated December 3, 2014, issued by Dr. Amado M. San Luis (Dr. San Luis), a neurosurgeon at the University of the East Ramon Magsaysay Memorial Hospital, which stated that Tiquio is suffering from Graves' Disease and declared that he is permanently incapacitated to work as an ordinary seaman and his illness is work-related.

The LA Ruling

In a Decision^[30] dated April 30, 2015, the LA granted Tiquio's complaint, and accordingly, ordered petitioners to pay Tiquio the amount equivalent to US\$60,000.00, representing permanent disability benefits plus ten percent (10%) attorney's fees, while the rest of his claims were denied for lack of basis.^[31] The LA found Tiquio's Graves' Disease/hyperthyroidism to be work-related, and thus, compensable pursuant to the Court's declaration in *Magsaysay Maritime Services v. Laurel (Magsaysay)*.^[32] Additionally, the LA ruled that the nature of Tiquio's work as ordinary seaman, which exposed him to constant physical and psychological stress, precipitated his hyperthyroidism, and that the maximum 240-day medical treatment period expired with no declaration from the CDP that he was already fit for sea duty.^[33] Finally, the LA held that the procedure for the appointment of a third doctor is merely directory, not mandatory, the absence of which will not preclude Tiquio's claim.^[34]

Unsatisfied with the LA ruling, petitioners filed an appeal^[35] before the NLRC.

The NLRC Ruling

In a Decision^[36] dated November 26, 2015, the NLRC set aside the LA's Decision, and instead dismissed the complaint. It did not give credence to the medical certificate issued by Dr. San Luis not only because it merely summarized the history of Tiquio's illness and his brief physical and neurological examination, but also because it was presented by Tiquio only three (3) months after he filed the complaint.^[37] As such, it held that at the time of the complaint's filing, Tiquio had no evidence contradicting the CDP's assessment and findings.^[38] In this relation, the NLRC further observed that Tiquio failed to comply with the conflict-resolution procedure under Section 20 (A) (3)^[39] of the POEA-SEC.^[40] Thus, it ruled that Tiquio's complaint was prematurely filed.^[41]

Aggrieved, Tiquio moved for reconsideration,^[42] which the NLRC denied in a Resolution^[43] dated February 29, 2016. Thus, he filed a petition for *certiorari*^[44] before the CA.

The CA Ruling

In a Decision^[45] dated February 7, 2018, the CA granted Tiquio's *certiorari* petition, and accordingly, reinstated the LA's Decision. The CA agreed with the LA that Tiquio suffered a work-related illness on board the vessel, and that the latter had complied with the four (4) requisites provided under Section 32-A^[46] of the POEA-SEC, thus, rendering petitioners liable for disability compensation.^[47]

Undaunted, petitioners sought reconsideration^[48] which the CA denied in a Resolution^[49] dated August 30, 2018; hence, this petition.

The Issue Before the Court

The essential issue for the Court's resolution is whether or not the CA correctly declared Tiquio to be entitled to total and permanent disability benefits.

The Court's Ruling

The petition is meritorious.

At the outset, the Court stresses that the review in this Rule 45 petition of the CA's ruling in a labor case via Rule 65 petition filed by Tiquio with that court carries a distinct approach. In a Rule 45 review, the Court examines the correctness of the CA's decision, which is limited to questions of law,^[50] in contrast with the review of jurisdictional errors under Rule 65.^[51] In ruling for legal correctness, the Court views the CA's decision in the same context that the petition for *certiorari* was presented to

the CA,^[52] that is, from the prism of whether the CA correctly determined the presence or absence of grave abuse of discretion in the NLRC's decision.^[53]

Grave abuse of discretion, amounting to lack or excess of jurisdiction, has been defined as the capricious and whimsical exercise of judgment, done in a despotic manner by reason of passion or personal hostility, the character of which being so patent and gross as to amount to an evasion of positive duty or to a virtual refusal to perform the duty enjoined by or to act at all in contemplation of law.^[54] In labor cases, grave abuse of discretion may be ascribed to the NLRC when its findings and conclusions are not supported by substantial evidence, which refers to that amount of relevant evidence that a reasonable mind might accept as adequate to justify a conclusion.^[55] Thus, if the NLRC ruling has basis in the evidence and the applicable law and jurisprudence, then no grave abuse of discretion exists and the CA should so declare, and accordingly, dismiss the petition.^[56] With these standards in mind, the Court finds that the CA erroneously ascribed grave abuse of discretion on the part of the NLRC in dismissing Tiquio's claim for disability benefits.

It is basic that the entitlement of overseas seafarers to disability benefits is a matter governed, not only by medical findings, but also by law and contract.^[57] By law, the pertinent statutory provisions are Articles 197 to 199^[58] (formerly Articles 191 to 193) of the Labor Code, as amended,^[59] in relation to Section 2 (a), Rule X^[60] of the Amended Rules on Employees Compensation.^[61] By contract, material are: (a) the POEA-SEC, which is a standard set of provisions that is deemed incorporated in every seafarer's contract of employment; (b) the Collective Bargaining Agreement (CBA), if any; and (c) the employment agreement between the seafarer and his employer.^[62] Section 20 (A) of the 2010 POEA-SEC, which is the rule applicable to this case since Tiquio was employed in 2012, governs the procedure for compensation and benefits for a work-related injury or illness suffered by a seafarer on board sea-going vessels during the term of his employment contract, to wit:

SEC. 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:

x x x x

3. x x 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.
4. 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, x x x

x x x x

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. 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.

x x x x (Emphasis supplied)

In *C.F. Sharp Crew Management, Inc. v. Taok*,^[63] cited in *Veritas Maritime Corporation v. Gapanaga, Jr. (Veritas)*,^[64] the Court has held that a seafarer may have basis to pursue an action for total and permanent disability benefits, if any of the following conditions are present:

- (a) The company-designated physician failed to issue a declaration as to his fitness to engage in sea duty or disability even after the lapse of the 120-day period and there is no indication that further medical treatment would address his temporary total disability, hence, justify an extension of the period to 240 days;
- (b) 240 days had lapsed without any certification issued by the company designated physician;
- (c) The company-designated physician declared that he is fit for sea duty within the 120-day or 240-day period, as the case may be, but his physician of choice and the doctor chosen under Section 20-B (3) of the POEA-SEC are of a contrary opinion;
- (d) The company-designated physician acknowledged that he is partially permanently disabled but other doctors who he consulted, on his own and jointly with his employer, believed that his disability is not only permanent but total as well;
- (e) The company-designated physician recognized that he is totally

and permanently disabled but there is a dispute on the disability grading;

(f) The company-designated physician determined that his medical condition is not compensable or work-related under the POEA- SEC but his doctor-of-choice and the third doctor selected under Section 20-B (3) of the POEA-SEC found otherwise and declared him unfit to work;

(g) The company-designated physician declared him totally and permanently disabled but the employer refuses to pay him the corresponding benefits; and

(h) The company-designated physician declared him partially and permanently disabled within the 120-day or 240-day period but he remains incapacitated to perform his usual sea duties after the lapse of said periods.^[65] (Emphasis and underscoring supplied)

In this case, it is undisputed that Tiquio filed the complaint without the assessment of a third doctor reconciling the apparent conflicting assessments of his personal doctor and of the CDP. Clearly, he failed to comply with the prescribed procedure under the above-cited Section 20 (A) (3) of the 2010 POEA-SEC on the joint appointment by the parties of a third doctor, in case the seafarer's personal doctor disagrees with the CDP's assessment. In the recent case of *Gargallo v. Dohle Seafront Crewing (Manila), Inc.*,^[66] citing *Veritas*, the Court reiterated the well-settled rule that the seafarer's non-compliance with the mandated conflict-resolution procedure under the POEA-SEC militates against his claims, and results in the affirmance of the findings and assessment of the company-designated physician, thus:

The [POEA-SEC] and the CBA clearly provide that when a seafarer sustains a work-related illness or injury while on board the vessel, his fitness or unfitness for work shall be determined by the company-designated physician. If the physician appointed by the seafarer disagrees with the company-designated physician's assessment, the opinion of a third doctor may be agreed jointly between the employer and the seafarer to be the decision final and binding on them.

Thus, while petitioner had the right to seek a second and even a third opinion, the final determination of whose decision must prevail must be done in accordance with an agreed procedure. Unfortunately, the petitioner did not avail of this procedure; hence, we have no option but to declare that the company-designated doctor's certification is the final determination that must prevail.^[67]

Also, in *Ayungo v. Beamko Shipmanagement Corporation*^[68] the Court considered as prematurely filed the complaint for disability benefits sans prior referral of the conflicting findings of the CDP and the seafarer's physician to a third doctor for final assessment, thus:

In this case, the findings of Beamko and Eagle Maritime's physicians that Ayungo's illnesses were not work-related were, in turn, controverted by Ayungo's personal doctor stating otherwise. **In light of these contrasting diagnoses, Ayungo prematurely filed his complaint before the NLRC without any regard to the conflict-resolution procedure under Section 20(B)(3) of the 2000 POEA-SEC.** Thus, consistent with *Philippine Hammonia*, the Court is inclined to uphold the opinion of Beamko and Eagle Maritime's physicians that Ayungo's illnesses were pre-existing and not work-related, hence, non-compensable.^[69] (Emphasis supplied)

Evidently, Tiquio's failure to observe the conflict-resolution procedure under the POEA-SEC provided sufficient basis for the denial of his claim for total and permanent disability benefits. In fact, the Court observes that when he filed the complaint on September 1, 2014, Tiquio had yet to even present the contrary opinion from a doctor of his choice. It was only on December 16, 2014,^[70] when he filed his Rejoinder (to [Respondents'] Reply), that Tiquio presented the conflicting medical certificate^[71] which, interestingly, was obtained only on December 3, 2014. Notably, it bears pointing out that nowhere in said medical certificate was it shown that he consulted the independent doctor prior to the filing of the complaint, as claimed by him. Neither was it shown that he informed petitioners of his consultation with his personal doctor regarding his illness and of the latter's contradictory assessment at any time prior to instituting the disability benefits claim, which events could have triggered the conflict-resolution mechanism of the POEA-SEC.

Moreover, it deserves pointing out that, contrary to Tiquio's claim that petitioners have already waived their right to assert compliance with the conflict-resolution procedure,^[72] records do not disclose otherwise. On the contrary, records show that petitioners manifested their willingness to refer the matter to a third doctor during the mandatory conferences before the LA.^[73] Considering, however, that Tiquio has yet to present a second doctor's opinion, there was consequently no valid contest to the CDP's opinion that could have been referred to the third doctor for final assessment. To reiterate, jurisprudence states that the seafarer's non-compliance with the mandated conflict-resolution procedure under the POEA-SEC militates against his claims, thus resulting in the affirmance of the findings and assessment of the company-designated physician,^[74] and effectively renders the complaint premature.^[75]

Notably, the Court is aware of the rule that precludes application of said conflict-resolution mechanism in the absence of a final and definitive assessment issued by the CDP within the prescribed periods, which would, in such situation, render the seafarer's disability grading, by operation of law, total and permanent. Nonetheless, said exception to the third doctor rule does not apply in this case, considering that as of July 1, 2013,^[76] the CDP had already diagnosed Tiquio to be suffering from Graves' Disease, which the CDP declared as "NOT Work Oriented," and on October 30, 2013, or well within the 120-day period, had finally assessed Tiquio as unfit for sea duty whose illness was "NOT Work Oriented" and would require "lifetime treatment with hormone replacement," for which no "[disability [grading is] xxx applicable."^[77] The CDP's assessment remained consistent throughout Tiquio's treatment, which petitioners

generously continued to provide him with notwithstanding the not work-related and non-compensable findings of the CDP.^[78]

In any event, the Court finds no reason to disturb said findings, considering that Tiquio failed to prove satisfaction of the four (4) conditions for compensability under Section 32-A of the 2010 POEA-SEC, viz.:

SECTION 32-A. OCCUPATIONAL DISEASES

For an occupational disease and the resulting disability or death to be compensable, all of the following conditions must be satisfied:

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

As the Court held in *Romana v. Magsaysay Maritime Corporation (Romano)*^[79] in contrast with the matter of work-relatedness which is indeed presumed, "no legal presumption of compensability is accorded in favor of the seafarer x x x [and thus], x x x he bears the burden of proving that these conditions are met."^[80] Citing *Licayan v. Seacrest Maritime Management, Inc.*,^[81] *Romana* more elaborately stated:

[T]he disputable presumption does not signify an automatic grant of compensation and/or benefits claim, and that while the law disputably presumes an illness not found in Section 32-A to be also work-related, the seafarer/claimant nonetheless is burdened to present substantial evidence that his work conditions caused or at least increased the risk of contracting the disease and only a reasonable proof of work-connection, not direct causal relation is required to establish its compensability.^[82] (Emphasis and underscoring in the original)

To be sure, jurisprudence settles that the legal presumption of work-relatedness of a non-listed illness can be overturned only by contrary substantial evidence as defined above.^[83] Nonetheless, it must be stressed that in all instances, the seafarer must prove compliance with the conditions for compensability, whether or not the work-relatedness of his illness is disputed by the employer.^[84] As explained in *Romana*:

On the one hand, when an employer attempts to discharge the burden of disputing the presumption of work-relatedness (*i.e.*, by either claiming that the illness is preexisting or, even if preexisting, that the risk of contracting or aggravating the same has nothing to do with his work), the burden of evidence now shifts to the seafarer to prove otherwise (*i.e.*, that the illness was not preexisting, or even if preexisting, that his work affected the risk of contracting or aggravating the illness). In so doing, the seafarer effectively discharges his own burden of proving compliance with the first three (3)

conditions of compensability under Section 32-A of the 2000 POEA-SEC, *i.e.*, that (1) the seafarer's work must involve the risks described herein; (2) the disease was contracted as a result of the seafarer's exposure to the described risks; and (3) the disease was contracted within a period of exposure and under such other factors necessary to contract it. Thus, when the presumption of work-relatedness is contested by the employer, the factors which the seafarer needs to prove to rebut the employer's contestation would **necessarily overlap** with some of the conditions which the seafarer needs to prove to establish the compensability of his illness and the resulting disability. **In this regard, the seafarer, therefore, addresses the refutation of the employer against the work-relatedness of his illness and, at the same time, discharges his burden of proving compliance with certain conditions of compensability.**

On the other hand, when an employer does not attempt to discharge the burden of disputing the presumption of work-relatedness, the seafarer must still discharge his own burden of proving compliance with the conditions of compensability, which does not only include the three (3) conditions above-mentioned, but also, the distinct fourth condition, *i.e.*, that there was no notorious negligence on the part of the seafarer. Thereafter, the burden of evidence shifts to the employer to now disprove the veracity of the information presented by the seafarer. The employer may also raise any other affirmative defense which may preclude compensation, such as concealment under Section 20 (E) of the 2000 POEA-SEC or failure to comply with the third-doctor referral provision under Section 20 (B) (3) of the same Contract.

Subsequently, if the work-relatedness of the seafarer's illness is not successfully disputed by the employer, and the seafarer is then able to establish compliance with the conditions of compensability, the matter now shifts to a determination of the nature and, in turn, the amount of disability benefits to be paid to the seafarer.^[85] (Emphasis, italics, and underscoring in the original)

In this case, Tiquio's illness, hyperthyroidism secondary to Graves' Disease, is an autoimmune disorder which causes over activity of the thyroid gland leading to the production and release of excess amounts of thyroid hormone into the blood.^[86] Medical literature defines "autoimmune disorder" as a condition that occurs when the immune system mistakenly attacks healthy tissue.^[87] The exact cause of Graves' Disease is not certain, however, certain risk factors are known to increase the chances of developing it, *i.e.*, genetics, weight, certain medications, and smoking,^[88] as well as ethnicity and gender,^[89] including age, emotional or physical stress, and other autoimmune disorders.^[90] Graves' Disease is a known common cause of hyperthyroidism.^[91]

As records show, the CDP, after due assessment of Tiquio's condition, found that his hyperthyroidism was primarily caused by the autoimmune disorder, Graves' Disease,

and therefore not work-related. The CDP, an endocrinologist^[92] and thus an expert on Tiquio's condition, explained, in his Affidavit^[93] dated October 16, 2014, the nature of this disease as backed by the medical literature on the same. To refute the assessment, Tiquio simply relied on the medical certificate^[94] issued by his doctor, Dr. San Luis, which concluded that his illness "could have been triggered by the physical and mental stress related to his job" and "by exposure to paint solvents and other chemicals."^[95] The Court, however, observes that Dr. San Luis is indisputably not an endocrinologist nor an expert on the particular disease – as he is a neurologist^[96] – and whose assessment on Tiquio's condition was limited to a single encounter.

Moreover, the Court recognizes that, as discussed above, there are in fact several known risk factors that increase the chance of developing the disease, *i.e.*, genetics, age, weight, medications, ethnicity, and other autoimmune disease, none of which has been shown in this case to have any causal connection with Tiquio's duties as an ordinary seaman. While indeed stress is a known risk factor, there is nothing, however, in the records which demonstrates the nature and extent of the stress to which Tiquio was allegedly exposed that could have triggered or aggravated his condition.

Further, as regards Tiquio's alleged exposure to paint solvents and other chemicals, the Court finds nothing in the records which showed that the nature of his duties involved the same, and that such exposure contributed to the development of his illness. Notably, exposure to chemicals and paint solvents is not a known risk factor for developing Graves' Disease, and thus medical literature does not support Tiquio's assertions on the same. Accordingly, the Court cannot make a proper determination thereof, considering that, as the NLRC noted, Tiquio "did not even attempt to establish a causal connection between his functions as an ordinary [seaman] with the risks of contracting hyperthyroidism."^[97]

To be sure, the Court is aware of the ruling in *Magsaysay*,^[98] relied upon by the CA, which granted the disability benefits claim of therein seafarer-claimant who was found to be suffering from hyperthyroidism by his chosen physician. It is well to point out, however, that the present case should be differentiated from *Magsaysay* for not only did therein petitioners Magsaysay Maritime Services and Princess Cruise Lines, Ltd. fail to explain or present evidence supporting the not work-related assessment of the CDP, who was not shown to be an expert on the disease, therein respondent seafarer Erlwin Meinrad Antero F. Laurel also sufficiently showed how his duties as a second pastryman and the conditions on board the vessel caused or aggravated his hyperthyroidism.^[99] Here, and as discussed, petitioners were able to successfully debunk the presumption of work-relatedness and concomitantly, Tiquio failed to prove by substantial evidence his compliance with the conditions for compensability set forth under Section 32-A of the 2010 POEA-SEC. Thus, Tiquio's claim for disability benefits should be denied.

All told, no grave abuse of discretion can be attributed to the NLRC in dismissing Tiquio's complaint. Accordingly, a reversal of the CA Decision is warranted.

WHEREFORE, the petition is **GRANTED**. The Decision dated February 7, 2018 and the Resolution dated August 30, 2018 of the Court of Appeals in CA-G.R. SP No. 145518

are hereby **REVERSED** and **SET ASIDE**. The Decision dated November 26, 2015 and the Resolution dated February 29, 2016 of the National Labor Relations Commission in NLRC LAC OFW (M)-06-000494-15 are **REINSTATED**.

SO ORDERED.

Carpio, (Chairperson), Caguioa, J. Reyes, Jr., and Lazaro-Javier, JJ., concur.

[1] *Rollo*, pp. 31-58.

[2] *Id.* at 65-77. Penned by Associate Justice Marie Christine Azcarraga-Jacob with Associate Justices Mariflor P. Punzalan Castillo and Samuel H. Gaerlan, concurring.

[3] *Id.* at 78-79.

[4] *CA rollo*, pp. 30-42. Penned by Presiding Commissioner Gerardo C. Nograles with Commissioners Gina F. Cenit-Escoto and Romeo L. Go, concurring.

[5] *Id.* at 63-64.

[6] *Id.* at 43-52. Penned by Labor Arbiter Rosalina Maria O. Apita-Battung.

[7] POEA Memorandum Circular No. 10, Series of 2010, entitled "Amended Standard Terms and Conditions Governing the Overseas Employment of Filipino Seafarers On-Board Oceangoing Ships" dated October 26, 2010.

[8] Spelled as "Philippines" in some parts of the records.

[9] See Contract of Employment; *CA rollo*, p. 149. Prior thereto, Tiquio underwent a Pre-Employment Medical Examination wherein he was declared "fit for sea duty" (see Seafarer's Medical Examination Certificate dated September 3, 2012; *id.* at 87). See also *rollo*, p. 66.

[10] To note, Tiquio was given paracetamol (see *rollo*, p. 66).

[11] See various medical records; *CA rollo*, pp. 150-155.

[12] See *rollo*, p. 66.

[13] "Grave's Disease" in some parts of the records. See various Medical Certifications; *CA rollo*, pp. 156- 163. See also *rollo*, p. 67.

[14] See *CA rollo*, pp. 91-108 and 156-163.

[15] Stated as "26 June 2014" in the CA Decision (see *rollo*, p. 67). Note that the June 26, 2014 Medical Certification was signed by a certain "Dr. Eddie A. Lim," and not by Dr. Fonte (see CA *rollo*, pp. 107-108); Dr. Fonte's Medical Certification was dated June 23, 2014 (see CA *rollo*, pp. 105-106).

[16] CA *rollo*, pp.105-106.

[17] See various Medical Certifications; *id.* at 91-106.

[18] *Id.* at 65-66. See also Tiquio's Position Paper dated October 20, 2014; *id.* at 71-84.

[19] See *rollo*, p. 16 and CA *rollo*, pp. 32 and 77.

[20] See *rollo*, p. 16 and CA *rollo*, pp. 32 and 81.

[21] See *rollo*, p. 16 and CA *rollo*, pp. 32 and 82.

[22] See *rollo*, pp. 15-16 and CA *rollo*, p. 74. See CA *rollo*, pp. 74 and 142.

[23] See petitioners' Position Paper dated October 27, 2014; CA *rollo*, pp. 124-145.

[24] See also *rollo*, p. 17 and CA *rollo*, pp. 32-33.

[25] See *rollo*, p. 17. See also petitioners' Position Paper dated October 27, 2014, and Dr. Fonte's Affidavit dated October 16, 2014; CA *rollo*, pp. 129-131 and 170-171, respectively.

[26] See *rollo*, p. 17 and CA *rollo*, p. 32. See also the Final Wages Account and Cash Vouchers; CA *rollo*, pp. 164-169.

[27] CA *rollo*, pp. 33 and 139-142. See also *rollo*, p. 17.

[28] See Rejoinder (to [Petitioners'] Reply) dated December 8, 2014; CA *rollo*, pp. 117-121.

[29] CA *rollo*, pp. 122-123. Dr. San Luis diagnosed Tiquio with Graves' Disease "[i]nduced by physical stress and mental stress related to labor at work" and "[p]ossibly caused by paint organic solvents and other chemicals he was exposed to [at] work." (See also *rollo*, pp. 67-68).

[30] CA *rollo*, pp. 43-52.

[31] See *id.* at 52.

[32] 707 Phil. 210 (2013). See CA *rollo*, pp. 46-47.

[33] See CA *rollo*, pp. 47-49.

[34] See *id* at 50-51.

[35] See Notice of Appeal with Memorandum of Appeal dated May 26, 2015; *id.* at 183-201.

[36] *Id.* at 30-42.

[37] See *id.* at 38-39.

[38] *Id.* at 39.

[39] 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:

x x x x

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.

The seafarer shall be entitled to reimbursement of the cost of medicines prescribed by the company-designated physician. In case treatment of the seafarer is on an out-patient basis as determined by the company-designated physician, the company shall approve the appropriate mode of transportation and accommodation. The reasonable cost of actual traveling expenses and/or accommodation shall be paid subject to liquidation and submission of official receipts and/or proof of expenses.

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. 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.

[40] See *CA rollo*, p. 39.

[41] See *id.*

[42] See Tiquio's motion for reconsideration dated December 15, 2015; *id.* at 53-62.

[43] *Id.* at 63.

[44] Dated May 2, 2016. *Id.* at 3-26.

[45] *Rollo*, pp. 65-77.

[46] SECTION 32-A OCCUPATIONAL DISEASES

For an occupational disease and the resulting disability or death to be compensable, all of the following conditions must be satisfied:

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

x x x x

[47] See *rollo*, pp. 73-76.

[48] See petitioners' motion for reconsideration dated March 8, 2018; *id.* at 80-94.

[49] *Id.* at 78-79.

[50] See *Sutherland Global Services (Philippines), Inc. v. Labrador*, 730 Phil. 295, 304 (2014); and *Aluag v. BIR Multi-Purpose Cooperative*, G.R. No. 228449, December 6, 2017.

[51] See *Montoya v. Trammed Manila Corporation*, 613 Phil. 696, 706-707 (2009); *Sutherland Global Services (Philippines), Inc. v. Labrador*, *id.*; and *Aluag v. BIR Multi-Purpose Cooperative*, *id.*

[52] *Sutherland Global Services (Philippines), Inc. v. Labrador, id.*; and *Aluag v. BIR Multi-Purpose Cooperative, id.*

[53] See *Montoya v. Transmed Manila Corporation*, supra note 51, at 707; *Sutherland Global Services (Philippines), Inc. v. Labrador, id.*; and *Aluag v. BIR Multi-Purpose Cooperative, id.*

[54] *Bani Rural Bank, Inc. v. De Guzman*, 721 Phil. 84, 99 (2013). See also *Philippine Pizza, Inc. v. Cayetano*, G.R. No. 230030, August 29, 2018.

[55] See *Philippine Pizza, Inc. v. Cayetano, id.*, citing *Quebral v. Angbus Construction, Inc.*, G.R. No. 221897, November 7, 2016, 807 SCRA 176, 184. See also *Aluag v. BIR Multi-Purpose Cooperative*, supra note 50, citing *University of Santo Tomas (UST) v. Samahang Manggagawa ng UST*, G.R. No. 184262, April 24, 2017, 824 SCRA 52, 61.

[56] *Philippine Pizza, Inc. v. Cayetano, id.*, citations omitted; and *Aluag v. BIR Multi-Purpose Cooperative, id.*, citations omitted.

[57] See *Jebsen Maritime, Inc. v. Ravena*, 743 Phil. 371, 385 (2014).

[58] ART. 197. [191] 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.

x x x x

ART. 198. [192] 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.

x x x x

(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;

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ART. 199. [193] 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.

xxxx (Emphases and underscoring supplied)

[59] Department Advisory No. 1, Series of 2015, entitled "RENUMBERING OF THE LABOR CODE OF THE Philippines, As Amended" dated July 21, 2015.

[60]

Rule X
Temporary Total Disability

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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.

XXXX

[61] (June 1, 1987).

[62] See *Gargallo v. Dohle Seafront Crewing (Manila), Inc.*, 769 Phil. 915, 926-927 (2015).

[63] 691 Phil. 521 (2012).

[64] 753 Phil. 308 (2015).

[65] *C.F. Sharp Crew Management, Inc. v. Took*, supra note 63, at 538-539, as cited in *Veritas*, id. at 320- 321.

[66] Supra note 62.

[67] Id. at 931, citing *Veritas*, supra note 64, at 320, further citing *Vergara v. Hammonia Maritime Services, Inc.*, 588 Phil. 895, 914 (2008).

[68] 728 Phil. 244 (2014).

[69] *Id.* at 256.

[70] See Tiquio's Rejoinder (to [Petitioners'] Reply) dated December 8, 2014, stamped "received" by the Office of the LA on December 16, 2014 (see CA *rollo*, p. 117), attaching therewith the December 3, 2014 medical certificate of Dr. San Luis (*id.* at 122-123).

[71] See *id.* at 122-123.

[72] See comment dated January 3, 2019, *rollo*, p. 105.

[73] See CA *rollo*, p. 142.

[74] See *Gargallo v. Dohle Seafront Crewing (Manila), Inc.*, *supra* note 62, at 930 citing *Veritas*, *supra* note 64, at 317-318.

[75] See *Ayungo v. Beamko Shipmanagement Corporation*, *supra* note 68.

[76] See medical certification; CA *rollo*, pp. 156-157.

[77] See medical certification; *id.* at 160-161.

[78] Petitioners argued that they simply continued respondent John Frederick T. Tiquio's treatment out of liberality, notwithstanding the "not work-related" and "disability not applicable" assessment of the CDP in the following instances: (1) Position Paper (for the [Petitioners]) dated October 27, 2014 filed before the LA (see *id.* at 143); (2) Notice of Appeal with Memorandum of Appeal dated May 26, 2015 filed before the NLRC (see *id.* at 189 and 199); (3) Comment to the Motion for Reconsideration of the NLRC's November 26, 2015 Decision dated January 5, 2016 (see *id.* at 276 and 279); and (4) Comment to the Petition for *Certiorari* with Manifestation of Refusal to Mediate before the CA dated July 5, 2016 (see *id.* at 299 and 302).

[79] G.R. No. 192442, August 9, 2017, 836 SCRA 151.

[80] *Id.* at 162.

[81] 773 Phil. 648, 658 (2015).

[82] *Romana*, *supra* note 79, at 163.

[83] Substantial Evidence is traditionally defined as "such relevant evidence as a reasonable mind might accept as sufficient to support a conclusion." See *id.* at 161,

citing *Racelis v. United Philippine Lines, Inc.*, 746 Phil. 758, 769 (2014) and *David v. OSG Shipmanagement Manila, Inc.*, 695 Phil. 906, 921 (2012).

[84] See *Romana*, supra note 79, at 168.

[85] *Id.* at 168-170.

[86] Douglas S. Ross, *et al.*, 2016 American Thyroid Association Guidelines for Diagnosis and Management of Hyperthyroidism and Other Causes of Thyrotoxicosis, p. 1347 < <https://www.liebertpub.com/doi/pdfplus/10.1089/thy.2016.0229> > (visited May 27, 2019); and Rebecca S. Bahn, MD, *et al.*, Hyperthyroidism and Other Causes of Thyrotoxicosis: Management Guidelines of the American Thyroid Association and American Association of Clinical Endocrinologists, p. 459 < <https://www.aace.com/files/hyperguidelinesapril2013.pdf> > (visited May 27, 2019). See also < <https://www.niddk.nih.gov/health-information/endocrine-diseases/graves-disease> > (visited May 27, 2019); < <https://www.webmd.com/a-to-z-guides/autoimmune-diseases> > (visited May 27, 2019); < <https://medlineplus.gov/ency/article/000358.htm> > (visited May 27, 2019); and < <https://www.healthline.com/health/graves-disease> > (visited May 27, 2019). Graves' disease is caused by a malfunction in the body's disease-fighting immune system, although the exact reason why this happens is still unknown.

One normal immune system response is the production of antibodies designed to target a specific virus, bacterium or other foreign substance. In Graves' disease — for reasons that aren't well understood — the body produces an antibody to one part of the cells in the thyroid gland, a hormone-producing gland in the neck.

Normally, thyroid function is regulated by a hormone released by a tiny gland at the base of the brain (pituitary gland). The antibody associated with Graves' disease — thyrotropin receptor antibody (TRAb) — acts like the regulatory pituitary hormone. That means that TRAb overrides the normal regulation of the thyroid, causing an overproduction of thyroid hormones (hyperthyroidism).

< <https://www.mayoclinic.org/diseases-conditions/graves-disease/symptoms-causes/syc-20356240> > (visited May 27, 2019).

See further (visited May 27, 2019); and (visited May 27, 2019).

[87] Normally, "[t]he immune system destroys foreign invaders with substances called antibodies produced by blood cells known as lymphocytes. Sometimes the immune system can be tricked into making antibodies that cross-react with proteins on our own cells. In many cases these antibodies can cause destruction of those cells. In Graves' disease these antibodies (called the thyrotropin receptor antibodies (TRAb) or thyroid stimulating immunoglobulins (TSI) do the opposite – they cause the cells to work overtime. The antibodies in Graves' disease bind to receptors on the surface of thyroid cells and stimulate those cells to overproduce and release thyroid hormones. This results in an overactive thyroid (hyperthyroidism)." < <https://www.thyroid.org/graves-disease/> > (visited May 27, 2019).

[88] See < <https://www.hopkinsmedicine.org/health/wellness-and-prevention/what-are-common-symptoms-of-autoimmune-disease> > (visited May 27, 2019); < <https://www.mayoclinic.org/diseases-conditions/graves-disease/symptoms-causes/syc-20356240> > (visited May 27, 2019); and < <http://www.btf-thyroid.org/information/leaflets/41-hyperthyroidism-guide> > (visited May 27, 2019).

[89] See < <https://www.healthline.com/health/autoimmune-disorders#causes> > (visited May 27, 2019); and < <https://www.mayoclinic.org/diseases-conditions/graves-disease/symptoms-causes/syc-20356240> > (visited May 27, 2019).

[90] See < <https://www.mayoclinic.org/diseases-conditions/graves-disease/symptoms-causes/syc-20356240> > (visited May 27, 2019). These include "vitiligo, rheumatoid arthritis, Addison's disease, type 1 diabetes, pernicious anemia[,] and lupus" (< https://www.medicinenet.com/graves_disease/article.htm [last visited May 27, 2019]), as well as celiac disease (<https://www.niddk.nih.gov/health-information/endocrine-diseases/graves-disease> [last visited May 27, 2019]).

[91] Douglas S. Ross, *et al.*, 2016 American Thyroid Association Guidelines for Diagnosis and Management of Hyperthyroidism and Other Causes of Thyrotoxicosis, p. 1347 (visited May 27, 2019); Rebecca S. Bahn, MD, *et al.*, Hyperthyroidism and Other Causes of Thyrotoxicosis: Management Guidelines of the American Thyroid Association and American Association of Clinical Endocrinologists, p. 461 < <https://www.aace.com/files/hyperguidelinesapril2013.pdf> > (visited May 27 2019); (visited May 27 2019); and < <https://www.hormone.org/diseases-and-conditions/thyroid/hyperthyroidism> > (last accessed May 27, 2019). "In about three in every four cases, [hyperthyroidism] is caused by a condition called Graves' disease" (see < <https://www.nhs.uk/conditions/overactive-thyroid-hyperthyroidism/causes/> > [visited May 27, 2019]).

Other causes of hyperthyroidism are: toxic multinodular goitre, solitary toxic thyroid adenoma, thyroiditis, as well as when too much replacement thyroxine (levothyroxine) is taken as a treatment for an underactive thyroid (hypothyroidism) (see [visited May 27, 2019]), including also thyroid cancer, pituitary adenoma, and high levels of a substance called human chorionic gonadotrophin (see [last accessed May 27, 2019]).

[92] A doctor specializing in thyroid and other endocrine disorders (see < <http://www.btf-thyroid.org/information/leaflets/41-hyperthyroidism-guide> >; and [visited May 27, 2019]). Endocrinologists are specially trained physicians who diagnose diseases related to the glands. They treat people who suffer from hormonal imbalances, typically from glands in the **endocrine system**, *i.e.*, thyroid disorders which include hyperthyroidism caused by Graves' disease (see < <https://www.hormone.org/you-and-your-endocrinologist> > and < <https://www.hormone.org/diseases-and-conditions/thyroid> > [visited May 27, 2019]).

[93] See CA *rollo*, pp. 170-171.

[94] See id. at 122-123.

[95] Id. at 123.

[96] "A neurologist is a medical doctor who specializes in treating diseases of the nervous system. The nervous system is made of two parts: the central and peripheral nervous system. It includes the brain and spinal cord. Illnesses, disorders, and injuries that involve the nervous system often require a neurologist's management and treatment." (underscoring supplied) < <https://www.healthline.com/health/neurologist> > (visited May 27, 2019).

Neurology is the branch of medicine concerned with the study and treatment of disorders of the nervous system. The nervous system is a complex, sophisticated system that regulates and coordinates body activities. It has two major divisions:

- Central nervous system: the brain and spinal cord
- Peripheral nervous system: all other neural elements, such as eyes, ears, skin, and other "sensory receptors"

A doctor who specializes in neurology is called a neurologist. The neurologist treats disorders that affect the brain, spinal cord, and nerves, such as:

- Cerebrovascular disease, such as stroke .
- Demyelinating diseases of the central nervous system, such as multiple sclerosis
- Headache disorders
- Infections of the brain and peripheral nervous system
- Movement disorders, such as Parkinson's disease
- Neurodegenerative disorders, such as Alzheimer's disease, Parkinson's disease, and Amyotrophic Lateral Sclerosis (Lou Gehrig's disease)
- Seizure disorders, such as epilepsy
- Spinal cord disorders
- Speech and language disorders (< <https://www.urmc.rochester.edu/highland/departments-centers/neurology/what-is-a-neurologist.asp> > [visited May 27, 2019]).

[97] See *CA rollo*, p. 39.

[98] *Supra* note 32.

[99] See id. at 224-225.



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