FIRST DIVISION

[G.R. No. 236498, September 16, 2020]

TRANS-GLOBAL MARITIME AGENCY, INC. AND/OR GOODWOOD SHIP MANAGEMENT, PTE., LTD., AND/OR ROBERT F. ESTANIEL, PETITIONERS, V. MAGNO T. UTANES, RESPONDENT.

D E C I S I O N

LOPEZ, J.:

Before this Court is a petition for review on *certiorari* assailing the Decision[1] dated April 21, 2017, and Resolution[2] dated January 3, 2018 of the Court of Appeals (CA) that upheld the findings of the labor tribunals and declared Magno T. Utanes (Utanes) entitled to permanent and total disability benefits.

ANTECEDENTS

On November 13, 2014, respondent Utanes was hired by petitioner Trans-Global Maritime Agency, Inc. (Trans-Global), in behalf of its foreign principal, Goodwood Ship Management, Pte., Ltd., as Oiler on board MTG.C. Fuzhou for a period of nine months. He was declared fit for sea duty in his pre-employment medical examination (PEME) and was thereafter allowed to board the vessel on November 15, 2014.

In the course of carrying out his duties, on January 25, 2015, Utanes suddenly felt severe chest pain, accompanied by dizziness and weakness. He was made to endure his condition until his repatriation on May 18,2015. Upon arrival in the Philippines, Utanes was referred to Marine Medical Services. From May 20, 2015, Utanes was subjected to various tests and treatment for coronary artery disease. After five months of treatment, the company doctors discontinued his treatment. Consequently, Utanes consulted an independent cardiologist, Dr. May S. Donato-Tan, who concluded that the nature and extent of Utanes' illness rendered him permanently and totally unfit to work as a seaman. Thus, on January 19, 2016, Utanes filed a complaint for disability benefits, medical expenses, damages and attorney's fees.

For its part, petitioners alleged that Utanes denied history of high blood pressure or any kind of heart disease when he ticked the "No" box opposite 'High Blood Pressure' and 'Heart Disease Vascular/Chest Pain' under the section, Medical History in his PEME. It was on May 17, 2015, that Utanes complained of back and chest pains, with difficulty of breathing and easy fatigability, and was thereafter medically repatriated. During the course of his treatment by the company-designated physicians, sometime in September 2015, Utanes disclosed that, as early as 2009, he was diagnosed with Coronary Artery Disease, for which he underwent Percutaneous Coronary Intervention of the left anterior descending artery. Consequently, Utanes stopped receiving treatment from the

company-designated physicians, prompting him to file a complaint for the payment of total and permanent disability benefits.

In a Decision dated June 15, 2016, the Labor Arbiter ruled in favor of Utanes and awarded him total and permanent disability benefits.[3] It was declared that Trans-Global is considered to have waived its right to assert nonliability for disability benefits to Utanes because it continued to extend treatment despite the belated disclosure of his existing Coronary Artery Disease. The treatment constitutes an implied admission of compensability and work-relatedness of Utanes' lingering cardio-vascular illness. Likewise, Trans-Global failed to issue a final assessment of Utanes' illness or fitness to work, which failure deemed Utanes totally and permanently disabled.

On appeal, the National Labor Relations Commission (NLRC) affirmed the arbiter's ruling because Utanes illness occurred within the duration of his contract, and his treatment lasted for more than 120 days. Thus, the award of permanent total disability benefits is justified.[4] Petitioners moved for reconsideration, but was denied.[5]

Petitioners then filed a petition for certiorari with the CA, which dismissed the petition.[6] Unsuccessful[7] at a reconsideration,[8] petitioners are seeking recourse before this Court, alleging that the CA committed serious errors of law in upholding the NLRC's Decision. Utanes is not entitled to permanent and total disability benefits and his other monetary claims because of deliberate concealment of his coronary artery disease.[9] For his part, Utanes maintains that he is entitled to total and permanent disability benefits since his illness was work-related and had contributed to the development of his condition that resulted in his disability.[10]

RULING

The petition is meritorious.

The general rule is that only questions of law may be raised in and resolved by this Court on petitions brought under Rule 45 of the Rules of Civil Procedure, because the Court, not being a trier of facts, is not duty-bound to reexamine and calibrate the evidence on record.[11] Findings of fact of quasi-judicial bodies, especially when affirmed by the CA, are generally accorded finality and respect.[12] There are, however, recognized exceptions[13] to this general rule, such as the instant case, where there is manifest mistake in the inference made from the findings of fact and judgment is based on a misapprehension of facts.[14]

In the review of this case, we stress that entitlement of seafarers on overseas work to disability benefits is a matter governed, not only by medical findings, but by law and by contract. The material statutory provisions are Articles 197 to 199 of the Labor Code[15] in relation to Section 2(a), Rule X of the Amended Rules on Employee Compensation. By contract, the Philippine Overseas Employment Administration - Standard Employment Contract (POEA-SEC), the parties' collective bargaining

agreement, if any, and the employment agreement between the seafarer and the employer are pertinent. Section 20, paragraph E of the POEA-SEC clearly provides that "*[a] seafarer who knowingly conceals a pre-existing illness or condition in the Pre-Employment Medical Examination (PEME) shall be liable for misrepresentation and shall be disqualified from any compensation and benefits, x x x*"

The rule seeks to penalize seafarers who conceal information to pass the pre-employment medical examination. It even makes such concealment a just cause for termination. Under the 2010 POEA-SEC, there is a"'pre-existing illness or condition" if prior to the processing of the POEA contract, any of the following is present: (a) the advice of a medical doctor on treatment was given for such continuing illness or condition; or (b) the seafarer has been diagnosed and has knowledge of such illness or condition but failed to disclose it during the pre-employment medical examination, and such cannot be diagnosed during such examination.[16]

Here, Utanes' September 18, 2014 PEME indicated that he was not suffering from any medical condition likely to be aggravated by service at sea or which may render him unfit for sea service. His medical history likewise did not show that he had heart disease/vascular/chest pain, high blood pressure, or that he underwent treatment for any ailment and was taking any medication. Notably, he signed the PEME acknowledging that he had read and understood and was informed of the contents of the medical certificate. On the other hand, the company-designated doctor's medical report, dated September 17, 2015, stated that Utanes disclosed that he has a history of coronary artery disease for which he underwent percutaneous coronary intervention of the left anterior descending artery in 2009. Evidently, Utanes obscured his pre-existing cardiac ailment. This concealment disqualifies him from disability benefits notwithstanding the medical attention extended by the company-appointed physicians upon his repatriation.

It is immaterial that Utanes' misrepresentation was discovered during the course of his treatment with the company-appointed doctors. That medical attention was extended by the company-appointed physicians cannot cancel out his deception. In Manansala v. Marlow Navigation Phils., Inc., et al.}1 the seafarer's concealment was revealed beyond the 120-day treatment period, after the issuance of a final assessment by the company-designated physicians, and even after a claim for benefits was filed. Nonetheless, the Court declared that the seafarer is not entitled to disability benefits because of concealment. Also, in Status Maritime Corporation, et al. v. Sps. Delalamon and Ayungo v. Beamko Shipmanagement Corp., et al.,[19]the Court ruled against the seafarers, whose concealment were found out while being treated by company doctors. More so, in Philman Marine Agency, Inc., et al. v. Cabanban,[20] the Court did not award disability benefits to a seaman whose concealment was discovered as early as his examination at the port of his assignment and prior to repatriation.

Time and again, it has been ruled that a PEME is generally not exploratory in nature, nor is it a totally in-depth and thorough examination of an applicant's medical condition.[21] It does not reveal the real state of health of an applicant, and does not allow the employer to discover any and all preexisting medical condition with which the seafarer is suffering and for which he may be taking medication.[22] The PEME is

nothing more than a summary examination of the seafarer's physiological condition and is just enough for the employer to determine his fitness for the nature of the work for which he is to be employed.[23] Since it is not exploratory, its failure to reveal or uncover Utanes' ailments cannot shield him from the consequences of his deliberate concealment[24] The "fit to work" declaration in the PEME cannot be a conclusive proof to show that he was free from any ailment prior to his deployment.[25]

We reiterate the application provision of the POEA-SEC, to wit:

> SECTION 20. COMPENSATION AND BENEFITS
>
> x x x x
>
> E. A seafarer who knowingly conceals a pre-existing illness or condition in the Pre-Employment Medical Examination (PEME) shall be liable for misrepresentation and shall be disqualified from any compensation and benefits. This is likewise a just cause for termination of employment and imposition of appropriate administrative sactions.

Here, Utanes' willful concealment of vital information in his PEME disqualifies him from claiming disability benefits. The Court on many occasions disqualified seafarers from claiming disability benefits on account of fraudulent misrepresentation arising from their concealment of a preexisting medical condition.[26] This case is not an exception. For knowingly concealing his history of coronary artery disease during the PEME, Utanes committed fraudulent misrepresentation which unconditionally bars his right to receive any disability compensation from petitioners.[27]

Nevertheless, even if we were to disregard Utanes' fraudulent misrepresentation, his claim will still fail. Indeed, coronary artery disease, which is subsumed under cardio-vascular disease, and hypertension are listed as occupational diseases under Section 32-A, paragraph 11 of the POEA-SEC. However, before Utanes could be benefited, it is required that any of the following conditions be satisfied:[28]

> 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 an unusual strain by reasons of the nature of his work
>
> 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 a cardiac insult to constitute causal relationship
>
> 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

> d. If a person is a known hypertensive or diabetic, he should show compliance with prescribed maintenance medications and doctor- recommended lifestyle changes. The employer shall provide a workplace conducive for such compliance in accordance with Section 1(A) paragraph 5.
>
> e. In a patient not known to have hypertension or diabetes, as indicated on his last PEME.

Records do not show that any of these conditions were met. Utanes failed to present sufficient evidence to show how his working conditions contributed to or aggravated his illness. The general statements in his Position Paper — *u[i]n the performance of Complainant's principal duty and responsibility, he was always exposed to the harsh condition and the perils at sea. He was also under severe stress while being away from his family and suffering from over fatigue while doing his duties and responsibilities on board the vessel due to long hours of work*" — were not validated by any written document or other proof given. Neither was any expert medical opinion presented regarding the cause of his condition.

In *Ventis Maritime Corporation v. Salenga,*[29] we emphasized that to be entitled to disability benefits for an occupation illness listed under Section 32-A of the POEA-SEC, a seafarer must show compliance with the following conditions:

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

We further enunciated:

> In effect, the table of illnesses and the corresponding nature of employment in Section 32-A only provide the list of occupational illnesses. It does not exempt a seafarer from providing proof of the conditions under the first paragraph of Section 32-A in order for the occupational illness/es complained of to be considered as work-related and, therefore, compensable.
>
> Further, x x x to determine the amount of compensation, the seafarer must show the resulting disability following as guide the schedule listed in Section 32.
>
> x x x x
>
> More importantly, the rule applies that whoever claims

> entitlement to benefits provided by law should establish his right thereto by substantial evidence which is more than a mere scintilla; it is real and substantial, and not merely apparent. Further, while in compensation proceedings in particular, the test of proof is merely probability and not ultimate degree of certainty, the conclusion of the courts must still be based on real evidence and not just inference and speculations.[30] (Citations omitted.)

In this case, Utanes suffered from coronary artery disease, a cardiovascular illness under item 11 of Section 32-A of the POEA-SEC. The mentioned provision enumerates the conditions which must be met to show that the seafarer's work involve the risk of contracting the disease. Again, none of these conditions are present in this case; no proof of the required conditions was submitted by Utanes to demonstrate that his illness is work-related and, therefore, compensable. Thus, Utanes failed to discharge his burden to prove the risks involved in his work, that his illness was contracted as a result of his exposure to the risks within the period of exposure and under such other factors necessary to contract it, and that he was not notoriously negligent.[31] All told, Utanes is not entitled to total and permanent disability benefits.

On a final note, we emphasize that the constitutional policy to provide full protection to labor is not meant to be a sword to oppress employers. Justice is for the deserving and must be dispensed within the light of established facts, the applicable law, and existing jurisprudence.j2 The Court's commitment to the cause of labor is not a lopsided undertaking. It cannot and does not prevent us from sustaining the employer when it is in the right.

FOR THE STATED REASONS, the petition is **GRANTED**. The April 21, 2017 Decision and January 3, 2018 Resolution of the Court of Appeals in CA-G.R. SP No. 148683 are **REVERSED** and **SET ASIDE**. The complaint filed by Magno T. Utanes against Trans-Global Maritime Agency, Inc. is **DISMISSED.**

SO ORDERED.

Peralta, CJ., (Chairperson), Caguioa, Reyes, J., JR., Lazaro-Javier, and *Lopez, JJ.* concur.

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[1] *Rollo,* pp. 59-73; penned by Associate Justice Magdangal M. De Leon, with the concurrence of Associate Justices Elihu A. Ybanez and Carmelita Salandanan Manahan.

[2] Id. at 74-75; penned by Associate Justice Magdangal M. De Leon, with the concurrence of Associate
Justices Justice Elihu A. Ybanez and Carmelita Salandanan Manahan.

[3] Id. at 101-118; penned by Labor Arbiter Thomas T. Que, Jr.

The dispositive portion states:

> WHEREFORE, premises considered, judgment is hereby rendered declaring Complainant to have suffered total and permanent disability and, correspondingly, holding all the Respondents jointly and severally liable to pay Complainant his permanent disability compensation and sickness allowance in the respective amount of US $96,909 and $2,588, plus attorney's fees equal to 10% of the total judgment awards.
>
> All other claims are dismissed for lack of merit.
>
> SO ORDERED. Id. at 117-118.

[4] *Id.* at 119-126. Petitioners' appeal was resolved by the NLRC in its Resolution dated July 29, 2016, to wit:

> WHEREFORE, premised on all the foregoing considerations, the appealed Decision is hereby AFFIRMED with MODIFICATION deleting the award of sickness allowance.
>
> Consequently, respondents are jointly and solidarily ordered to pay complainant Magno T. Utanes permanent disability benefits and attorney's fees in the Philippine Peso exchange rate of US$96,909.00 and US$9,690.00 at the time of payment respectively.
>
> The claims for sickness allowance and damages are hereby DISMISSED for lack of merit.
>
> SO ORDERED. Id. at 126.

[5] *Id.* at 127-128. In the NLRC's Resolution dated September 30, 2016, Trans-GlobaPs motion for reconsideration was disposed of as follows:

> After a careful consideration of the arguments and discussion raised by respondents in their Partial Motion for Reconsideration, We find no compelling justification or valid reason to modify, alter, much less reverse, the Resolution sought to be reconsidered.
>
> ACCORDINGLY, let the instant Partial Motion for Reconsideration be, as it is hereby, DENIED for lack of merit. The Resolution of this Commission dated July 29, 2016 STANDS undisturbed. No further motion of similar nature shall be entertained. SO ORDERED. Id. at 128.

[6] *Supra* note 1.

[7] *Supra* note 2.

[8] *Rollo,* pp. 76-88.

[9] *Id.* at 33-51.

[10] *Id.* at 128-162.

[11] *Deocariza v. Fleet Management Services Philippines, Inc.,* G.R. No. 229955, July 23, 2018, 873 SCRA 397, 406, citing Leoncio v. MSTMarine Services (Phils.), Inc., 822 Phil. 494, 504 (2017).

[12] *Id.,* citing Maersk Filipinos Crewing, Inc. v. Ramos, G.R. No. 184256, January 18, 2017, 814 SCRA 428, 442.

[13] *Id.,* citing Manila Shipmanagement & Manning, Inc., el al. v. Aninang, 824 Phil. 916, 925 (2018); enumerating the following as exceptions: 1) when the findings are grounded entirely on speculations, surmises, or conjectures; 2) when the inference made is manifestly mistaken, absurd, or impossible; 3) when there is grave abuse of discretion; 4) when the judgment is based on misapprehension of facts; 5) when the findings of fact are conflicting; 6) when in making its findings, the Court of Appeals went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee; 7) when the findings are contrary to that of the trial court; 8) when the findings are conclusions without citation of specific evidence on which they are based; 9) when the facts set forth in the petition, as well as in the petitioner's main and reply briefs, are disputed by the respondent; 10) when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; or 1 1) when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion.

[14] See *Deocariza v. Fleet Management Services Philippines, Inc., et al.,* supra note 11.

[15] Formerly Articles 191 to 193 of the LABOR CODE.

[16] 2010 POEA-SEC, Definition of Terms, Item No. 11 (a) and (b).

[17] 817 Phil. 84(2017).

[18] 740 Phil. 175(2014).

[19] 728 Phil. 244(2014).

[20] 715 Phil. 454(2013).

[21] *Vetyard Terminals & Shipping Services, Inc., et al, v. Snares,* 728 Phil. 527, 534 (2014), citing *Escarcha v. Leonis Navigation Co., Inc., and/or World Marine Panama, S.A.*, 637 Phil. 418, 433 (2010).

[22] *Philman Marine Agency, Inc., et al. v. Cabanban, supra* note 20 at 480.

[23] *Id.,* citing *Francisco v. Bahia Shipping Services, Inc. and/or Mendoza, et al.,* 650 Phil. 200, 206 (2010).

[24] See *Vetyard Terminals & Shipping Services, Inc., et al. v. Suarez, supra* note 21.

[25] *Status Maritime Corporation, et al. v. Sps. Delalamon, supra* note 18 at 195, citing *Magsaysay Maritime Corp., et al. v. National Labor Relations Commission (2nd Division), et al.,* 630 Phil. 352, 367 (2010).

[26] *Lerona v. Sea Power Shipping Enterprises, Inc.,* G.R. No. 210955, August 14, 2019, citing *Ayungo v. Beamko Shipmanagement Corp., et al, supra* note 19; *Philman Marine Agency, Inc., et al. v. Cabanban, supra* note 20; *Status Maritime Corporation, et al. v. Sps. Delalamon,* supra note 18.

[27] *Id.*

[28] *Philman Marine Agency, Inc., et al. v. Cabanban,* supra note 20.

[29] G.R. No. 238578, June 8, 2020.

[30] *Id.*

[31] *Id.*

[32] *Panganiban v. Tara Trading Shipmanagement Inc., et al.,* 647 Phil. 675, 691 (2010).
