

## SECOND DIVISION

**[ G.R. No. 217426, December 04, 2017 ]**

**ST. MARTIN POLYCLINIC, INC., PETITIONER, V. LWV  
CONSTRUCTION CORPORATION, RESPONDENT.**

### DECISION

**PERLAS-BERNABE, J.:**

Assailed in this petition for review on *certiorari*<sup>[1]</sup> are the Decision<sup>[2]</sup> dated July 11, 2014 and the Resolution<sup>[3]</sup> dated February 27, 2015 of the Court of Appeals (CA) in CA-G.R. SP No. 125451, which affirmed with modification the Decision<sup>[4]</sup> dated December 15, 2011 and the Order dated May 25, 2012 of the Regional Trial Court of Mandaluyong City, Branch 211 (RTC) in SCA Case No. MC11-879 (Civil Case No. 21881), and thereby ordered herein petitioner St. Martin Polyclinic, Inc. (petitioner) to pay respondent LWV Construction Corporation (respondent) temperate damages in the amount of P50,000.00.

#### The Facts

Respondent is engaged in the business of recruiting Filipino workers for deployment to Saudi Arabia.<sup>[5]</sup> On the other hand, petitioner is an accredited member of the Gulf Cooperative Council Approved Medical Centers Association (GAMCA) and as such, authorized to conduct medical examinations of prospective applicants for overseas employment.<sup>[6]</sup>

On January 10, 2008, respondent referred prospective applicant Jonathan V. Raguindin (Raguindin) to petitioner for a pre-deployment medical examination in accordance with the instructions from GAMCA.<sup>[7]</sup> After undergoing the required examinations, petitioner cleared Raguindin and found him "fit for employment," as evidenced by a Medical Report<sup>[8]</sup> dated January 11, 2008 (Medical Report).<sup>[9]</sup>

Based on the foregoing, respondent deployed Raguindin to Saudi Arabia, allegedly incurring expenses in the amount of P84,373.41.<sup>[10]</sup> Unfortunately, when Raguindin underwent another medical examination with the General Care Dispensary of Saudi Arabia (General Care Dispensary) on March 24, 2008, he purportedly tested positive for HCV or the hepatitis C virus. The Ministry of Health of the Kingdom of Saudi Arabia (Ministry of Health) required a re-examination of Raguindin, which the General Care Dispensary conducted on April 28, 2008.<sup>[11]</sup> However, the results of the re-examination remained the same, *i.e.*, Raguindin was positive for HCV, which results were reflected in a Certification<sup>[12]</sup> dated April 28, 2008 (Certification). An undated HCV Confirmatory Test Report<sup>[13]</sup> likewise conducted by the Ministry of Health affirmed such finding, thereby leading to Raguindin's repatriation to the Philippines.<sup>[14]</sup>

Claiming that petitioner was reckless in issuing its Medical Report stating that Raguindin is "fit for employment" when a subsequent finding in Saudi Arabia revealed that he was positive for HCV, respondent filed a Complaint<sup>[15]</sup> for sum of money and damages against petitioner before the Metropolitan Trial Court of Mandaluyong City, Branch 60 (MeTC). Respondent essentially averred that it relied on petitioner's declaration and incurred expenses as a consequence. Thus, respondent prayed for the award of damages in the amount of P84,373.41 representing the expenses it incurred in deploying Raguindin abroad.<sup>[16]</sup>

In its Answer with compulsory counterclaim,<sup>[17]</sup> petitioner denied liability and claimed that: *first*, respondent was not a proper party in interest for lack of privity of contract between them; *second*, the MeTC had no jurisdiction over the case as it involves the interpretation and implementation of a contract of employment; *third*, the action is premature as Raguindin has yet to undergo a post-employment medical examination following his repatriation; and *fourth*, the complaint failed to state a cause of action as the Medical Report issued by petitioner had already expired on April 11, 2008, or three (3) months after its issuance on January 11, 2008.<sup>[18]</sup>

### **The MeTC Ruling**

In a Decision<sup>[19]</sup> dated December 17, 2010, the MeTC rendered judgment in favor of respondent and ordered petitioner to pay the amount of P84,373.41 as actual damages, P20,000.00 as attorney's fees, and the costs of suit.<sup>[20]</sup>

At the onset, the MeTC held that it had jurisdiction over the case, since respondent was claiming actual damages incurred in the deployment of Raguindin in the amount of P84,373.41.<sup>[21]</sup> It further ruled that respondent was a real party in interest, as it would not have incurred expenses had petitioner not issued the Medical Report certifying that Raguindin was fit to work.

On the merits, the MeTC found that respondent was entitled to be informed accurately of the precise condition of Raguindin before deploying the latter abroad and consequently, had sustained damage as a result of the erroneous certification.<sup>[22]</sup> In this relation, it rejected petitioner's contention that Raguindin may have contracted the disease after his medical examination in the Philippines up to the time of his deployment, there being no evidence offered to corroborate the same.<sup>[23]</sup>

Aggrieved, petitioner appealed to the RTC, contending,<sup>[24]</sup> among others, that respondent failed to comply with the requirements on the authentication and proof of documents under Section 24,<sup>[25]</sup> Rule 132 of the Rules of Court, considering that respondent's evidence, particularly the April 28, 2008 Certification issued by the General Care Dispensary and the HCV Confirmatory Test Report issued by the Ministry of Health, are foreign documents issued in Saudi Arabia.

### **The RTC Ruling**

In a Decision<sup>[26]</sup> dated December 15, 2011, the RTC dismissed petitioner's appeal and affirmed the MeTC Decision in its entirety.<sup>[27]</sup> Additionally, the RTC pointed out that petitioner can no longer change the theory of the case or raise new issues on

appeal, referring to the latter's argument on the authentication of respondent's documentary evidence.<sup>[28]</sup>

Petitioner's motion for reconsideration<sup>[29]</sup> was denied in an Order<sup>[30]</sup> dated May 25, 2012. Dissatisfied, petitioner elevated the case to the CA.<sup>[31]</sup>

### **The CA Ruling**

In a Decision<sup>[32]</sup> dated July 11, 2014, the CA affirmed the RTC Decision, with the modification deleting the award of actual damages and instead, awarding temperate damages in the amount of P50,000.00.<sup>[33]</sup>

The CA held that petitioner failed to perform its duty to accurately diagnose Raguindin when it issued its Medical Report declaring the latter "fit for employment", considering that he was subsequently found positive for HCV in Saudi Arabia.<sup>[34]</sup> Further, the CA opined that the Certification issued by the General Care Dispensary is not a public document and in such regard, rejected petitioner's argument that the same is inadmissible in evidence for not having been authenticated. Moreover, it remarked that petitioner's own Medical Report does not enjoy the presumption of regularity as petitioner is merely an accredited clinic.<sup>[35]</sup> Finally, the CA ruled that petitioner could not disclaim liability on the ground that Raguindin tested positive for HCV in Saudi Arabia *after* the expiration of the Medical Report on April 11, 2008, noting that the General Care Dispensary issued its Certification on April 28, 2008, or a mere seventeen (17) days from the expiration of petitioner's Medical Report.<sup>[36]</sup> Hence, the CA concluded that "it is contrary to human experience that a newly-deployed overseas worker, such as Raguindin, would immediately contract a serious virus at the very beginning of a deployment."<sup>[37]</sup>

However, as the records are bereft of evidence to show that respondent actually incurred the amount of P84,373.41 as expenses for Raguindin's deployment, the CA deleted the award of actual damages and instead, awarded temperate damages in the amount of P50,000.00.<sup>[38]</sup>

Aggrieved, petitioner filed a motion for partial reconsideration,<sup>[39]</sup> which the CA denied in a Resolution<sup>[40]</sup> dated February 27, 2015; hence, this petition.

### **The Issue Before the Court**

The essential issue advanced for the Court's resolution is whether or not petitioner was negligent in issuing the Medical Report declaring Raguindin "fit for employment" and hence, should be held liable for damages.

### **The Court's Ruling**

The petition is granted.

#### **I.**

At the outset, it should be pointed out that a re-examination of factual findings cannot be done acting on a petition for review on *certiorari* because the Court is not a trier of facts but reviews only questions of law.<sup>[41]</sup> Thus, in petitions for review on *certiorari*, only questions of law may generally be put into issue. This rule, however, admits of certain exceptions, such as "when the inference made is manifestly

mistaken, absurd or impossible"; or "when the findings are conclusions without citation of specific evidence on which they are based."<sup>[42]</sup> Finding a confluence of certain exceptions in this case, the general rule that only legal issues may be raised in a petition for review on *certiorari* under Rule 45 of the Rules of Court would not apply, and the Court retains the authority to pass upon the evidence presented and draw conclusions therefrom.<sup>[43]</sup>

## II.

An action for damages due to the negligence of another may be instituted on the basis of Article 2176 of the Civil Code, which defines a quasi-delict:

Article 2176. Whoever by act or omission causes damage to another, there being fault or **negligence**, is obliged to pay for the damage done. Such fault or negligence, if there is no pre-existing contractual relation between the parties, is called a quasi-delict and is governed by the provisions of this Chapter.

The elements of a quasi-delict are: **(1) an act or omission; (2) the presence of fault or negligence in the performance or non-performance of the act; (3) injury; (4) a causal connection between the negligent act and the injury; and (5) no pre-existing contractual relation.**<sup>[44]</sup>

As a general rule, any act or omission coming under the purview of Article 2176 gives rise to a cause of action under quasi-delict. This, in turn, gives the basis for a claim of damages.<sup>[45]</sup> Notably, quasi-delict is one among several sources of obligation. Article 1157 of the Civil Code states:

Article 1157. Obligations arise from:

- (1) Law;
- (2) Contracts;
- (3) Quasi-contracts;
- (4) Acts or omissions punished by law; and
- (5) Quasi-delicts.

However, as explained by Associate Justice Marvic M.V.F. Leonen (Justice Leonen) in his opinion in *Alano v. Magud-Logmao*<sup>[46]</sup> (*Alano*), "**Article 2176 is not an all-encompassing enumeration of all actionable wrongs which can give rise to the liability for damages. Under the Civil Code, acts done in violation of Articles 19, 20, and 21 will also give rise to damages.**"<sup>[47]</sup> These provisions - which were cited as bases by the MTC, RTC and CA in their respective rulings in this case - read as follows:

Article 19. Every person must, in the exercise of his rights and in the performance of his duties, act with justice, give everyone his due, and observe honesty and good faith.

Article 20. Every person who, contrary to law, willfully or **negligently** causes damage to another, shall indemnify the latter for the same.

Article 21. Any person who willfully causes loss or injury to another in a manner that is contrary to morals, good customs, or public policy shall compensate the latter for the damage.

"[Article 19], known to contain what is commonly referred to as the principle of abuse of rights, sets certain standards which must be observed not only in the exercise of one's rights, but also in the performance of one's duties."<sup>[48]</sup> Case law states that "[w]hen a right is exercised in a manner which does not conform with the norms enshrined in Article 19 and results in damage to another, a legal wrong is thereby committed for which the wrongdoer must be held responsible. But while Article 19 lays down a rule of conduct for the government of human relations and for the maintenance of social order, it does not provide a remedy for its violation. Generally, an action for damages under either Article 20 or Article 21 would [then] be proper."<sup>[49]</sup> Between these two provisions as worded, it is Article 20 which applies to both **willful and negligent** acts that are done contrary to law. On the other hand, Article 21 applies only to **willful acts done *contra bonos mores***.<sup>[50]</sup>

In the *Alano* case, Justice Leonen aptly elaborated on the distinctive applications of Articles 19, 20 and 21, which are general provisions on human relations, vis-a-vis Article 2176, which particularly governs quasi-delicts:

Article 19 is the general rule which governs the conduct of human relations. By itself, it is not the basis of an actionable tort. Article 19 describes the degree of care required so that an actionable tort may arise when it is alleged together with Article 20 or Article 21.

**Article 20 concerns violations of existing law as basis for an injury.** It allows recovery should the act have been willful or negligent. Willful may refer to the intention to do the act and the desire to achieve the outcome which is considered by the plaintiff in tort action as injurious. Negligence may refer to a situation where the act was consciously done but without intending the result which the plaintiff considers as injurious.

Article 21, on the other hand, concerns injuries that may be caused by acts which are not necessarily proscribed by law. This article requires that the act be willful, that is, that there was an intention to do the act and a desire to achieve the outcome. In cases under Article 21, the legal issues revolve around whether such outcome should be considered a legal injury on the part of the plaintiff or whether the commission of the act was done in violation of the standards of care required in Article 19.

**Article 2176** covers situations where an injury happens through an act or omission of the defendant. When it involves a positive act, the intention to commit the outcome is irrelevant. **The act itself must not be a breach of an existing law or a pre-existing contractual obligation.** What will be considered is whether there is "fault or negligence" attending the commission of the act which necessarily leads to the outcome considered as injurious by the plaintiff. The required degree of diligence will then be assessed in relation to the circumstances of each and every case.<sup>[51]</sup> (Emphases and underscoring supplied)

Thus, with respect to negligent acts or omissions, it should therefore be discerned that **Article 20 of the Civil Code concerns "violations of existing law as basis for an injury", whereas Article 2176 applies when the negligent act causing damage to another does not constitute "a breach of an existing law or a pre-existing contractual obligation."**