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SECOND DIVISION

[G.R. No. 201359, September 23, 2015]

MAGSAYSAY MARITIME CORPORATION, PRINCESS CRUISE LINES, LTD. AND/OR MR. EDUARDO U. MANESE, PETITIONERS, VS. VIRGILIO L. MAZAREDO, RESPONDENT.

D E C I S I O N

DEL CASTILLO, J.:

Assailed in this Petition for Review on *Certiorari*[1] are: 1) the October 28, 2011 Decision[2] of the Court of Appeals (CA) in CA-G.R. SP No. 117748, which affirmed with modification the September 14, 2010 Decision[3] and October 29, 2010 Resolution[4] of the National Labor Relations Commission (NLRC) in NLRC LAC No. (OFW-M) 06-000439-10; and 2) the CA's March 28, 2012 Resolution[5] denying reconsideration of its assailed Decision.

Factual Antecedents

Respondent Virgilio L. Mazaredo has been working for petitioner manning agency Magsaysay Maritime Corporation (Magsaysay) since 1996. For his last employment contract, he was hired for Magsaysay's foreign principal and co-petitioner herein, Princess Cruise Lines, Limited (Princess Cruise). He was assigned as Upholsterer onboard the vessel MY "Tahitian Princess." His 10-month POEA[6] Standard Employment Contract[7] dated June 25,2008 stated among others that he was to receive a monthly salary of US$455.00.

Respondent was deployed on July 5, 2008.[8]

On February 4, 2009, while aboard M/V "Tahitian Princess," respondent experienced back pain. Upon examination by the ship's doctor Lana Strydom on March 12, 2009, the following diagnosis was issued: "a) uncontrolled hypertension on medication; b) probable previous silent inferior myocardial infarct; c) left ventricular hypertrophy; d) tachycardia (95-107); xxx f) needs CXR, Echo, Stress Test and Angiogram; g) needs cardiologist specialist consultation; h) needs another seafarer's fitness to work at sea medical before next contract x x x."[9]

On March 22,2009, respondent was medically repatriated and immediately referred to the company-designated physician. Respondent underwent a series of examinations[10] such as electrocardiogram (ECG), 2D Echo, and coronary arteriography.[11] On May 30, 2009, he was found to be suffering from "coronary artery disease, three-vessel involvement;" the recommendation was for him to undergo coronary artery bypass graft surgery (CABG[12]).[13]

On July 6, 2009, respondent underwent percutaneous coronary intervention[14] or angioplasty instead of the recommended bypass surgery. The angioplasty was a mere outpatient procedure.[15] Respondent underwent angioplasty instead of bypass surgery because he could not afford the latter procedure, as it was he who was paying for his treatment.[16] Petitioners did not provide medical and financial assistance after respondent's initial diagnosis.[17] It was respondent alone who chose the hospital and procedure for the treatment of his condition, with full consideration of the cost and expenses of treatment.[18]

In a July 6, 2009 Cardiac Catheterization Laboratory Report[19] issued after respondent's angioplasty, the attending physician recommended the administration of dual antiplatelets[20] and that medical care or management of respondent's condition should be "maximized."

On September 25, 2009, respondent sought the opinion of an independent physician, Dr. Efren R. Vicaldo (Dr. Vicaldo), who issued a Medical Certificate[21] declaring that respondent is unfit to resume work as seaman in any capacity; that he requires maintenance medication to control his hypertension to prevent cardiovascular complications such as worsening coronary artery disease, stroke and renal insufficiency; and that respondent is not expected to land gainful employment given his medical background.

Ruling of the Labor Arbiter

Prior to Dr. Vicaldo's assessment, or on July 27, 2009, respondent filed a Complaint[22] against Magsaysay, Princess Cruise, and their co-petitioner Eduardo U. Manese (Manese) - Magsaysay Owner/President/General Manager - for recovery of permanent total disability and sickness benefits, reimbursement of medical and other expenses, moral and exemplary damages, and attorney's fees, which was docketed in the NLRC, National Capital Region, Quezon City as NLRC NCR Case No. OFW (M)-07-10662-09.

In his Position Paper,[23] Reply,[24] and Rejoinder,[25] respondent claimed that petitioners acted in bad faith in refusing to provide medical and financial assistance to address his heart condition, which he claimed was contracted during his employment with the latter; that he has been rendered and declared permanently and totally disabled, which thus entitled him to the maximum corresponding benefits; that petitioners unjustly refused to indemnity him, which further entitled him to actual, moral and exemplary damages, and attorney's fees for being compelled to litigate; and that in addition, he was entitled to indemnity under an International Transport Federation Collective Bargaining Agreement (ITF-CBA). Thus, respondent prayed that he be paid US$80,000.00 as permanent disability compensation; US$2,275.00 sickness compensation; P463,240.31 as reimbursement for medical expenses incurred; P16,700.00 as reimbursement for transportation expenses; P600,000.00 combined moral and exemplary damages; and 10% attorney's fees.

In their joint Position Paper,[26] Reply,[27] and Rejoinder,[28] petitioners argued that respondent boarded M/V "Tahitian Princess" on June 17, 2007 and disembarked upon completion of his contract on March 9, 2008, which meant that he completed

his contract prior to contracting of his illness; that respondent's illness is not work-related as declared by the company-designated physician in a Medical Report[29] dated March 27, 2009, which thus justified their denial of respondent's disability claim; that despite such finding, they continued with respondent's treatment and shouldered all the medical expenses he incurred; that the company-designated physician's March 27, 2009 assessment should prevail in deciding respondent's case; that the supposed ITF-CBA is inapplicable in this case, since respondent's illness was not title result of an accident - a pre-condition under said ITF-CBA; and that respondent is not entitled to his other claims since they have fulfilled their contractual obligations in good faith, which thus leaves respondent without a valid cause of action. They prayed for the dismissal of respondent's Complaint and recovery, by way of counterclaim, of P500,000.00 as and for attorney's fees and litigation expenses.

On April 20, 2010, the Labor Arbiter rendered a Decision[30] dismissing the respondent's Complaint for lack of merit, stating thus:

> ISSUES:
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> 1. Is complainant entitled to permanent disability compensation in the amount of US$80,000.00?
>
> 2. Is complainant entitled to reimbursement of full medical cost for treatment of illness, sick wages for "130 days"?
>
> 3. Is he entitled to moral and exemplary damages plus attorney's fees?
>
> Before these issues are resolved, this Arbitration branch takes note that in Respondents'[31] Position Paper, Annex "3", which is alleged as the Medical Report dated 27 March 2009 of the company-designated physician, is not attached thereto.
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> Be that as it may, it appears on the records that on March 12, 2009, Dr. Lana Strydom, in the Medical Referral Letter, diagnosed complainant and requested/recommended that complainant needs to be treated with the following:
>
> "1. CXR, Echo, Stress Test and Angiogram
> 2. Cardiologist Specialist consultation
> 3. Repeat Monitoring of U & E
> 4. Needs another seafarer's fitness to work at sea medical before next contract."
>
> Unfortunately, as earlier mentioned, the alleged Medical Report dated March 27, 2009 of the company-designated physician is not on record. Although this is not attached, the complainant nonetheless admits that upon his arrival in the Philippines on March 22, 2009, he underwent a series of medical examinations by the company-designated physician.

But he himself did not submit any document on the results of those tests.

The complainant however submitted a document dated May 30, 2009 executed by his own independent doctor, Eduardo T. Buan, Angiographer of the Invasive Cardiology Division, Philippine Heart Center. He also submitted a Cardiac Catheterization Laboratory Report dated July 6, 2009 issued by Drs. Dee/Delos Reyes/Albacite/Regamit with these recommendations: "Dual Antiplatelets, Maxize [sic] Medical management".

A careful scrutiny of complainant's Annexes "E-l" and "E-2" (CPP) bear no date when they were issued by the Philippine General Hospital. They however state complainant's "Condition on Discharge - Improved, Ambulatory".

It is noted that this complaint was filed on July 27,2009. On September 25, 2009, or about two (2) months thereafter, Dr. Efren R. Vicaldo, in his Medical Certificate, states that complainant was confined September 25, 2009 with the following diagnosis:

"Hypertensive cardiovascular disease Coronary artery disease S/P percutaneous coronary intervention"

And in Dr. Vicaldo's Medical Evaluation of Patient/Seaman dated September 2009, he did not state any Grading for which complainant should be compensated/ entitled. Besides, complainant consulted the said doctor just once.

The ruling in the case of Crystal Shipping, Inc. vs. Natividad (Supra) does not apply in this case. In that case, the company-designated physician and the respondent physician, although they differ in their assessment of the degree of respondent's disability, both found that respondent was unfit for sea-duty. In the present case, the facts differ. Neither is the ruling on the case of HFS Philippines, Inc. et al. vs. Ronaldo R. Pilar applicable herein for the same reason - the facts differ in these cases.

It is also noted that complainant went to seek the medical opinion of Dr. Vicaldo after he had filed this case and after the lapse of One Hundred Twenty (120) days.

Much as this Labor tribunal looks tenderly on the laborer, there are legal parameters that limit our resolution on cases of this nature. There are rulings favoring the seafarer; there are also those not in their favor. The particular facts of the case and the evidence adduced by the parties had always been the bases for the High Court's decisions. This Arbitration Branch can only apply those which We deem fall squarely on the base at bar.

One last note: The respondents are hereby admonished to carefully go over the evidence they present or inadvertently fail to attach.

WHEREFORE, in the light of the foregoing, judgment is hereby rendered

DISMISSING this complaint for lack of merit.

All other claims herein sought and prayed for are hereby denied for lack of legal and factual bases.

SO ORDERED.[32]

Ruling of the National Labor Relations Commission

Respondent interposed an appeal[33] before the NLRC, which was docketed as NLRC LAC No. (OFW-M) 06-000439-10. On September 14, 2010, the NLRC issued its Decision[34] containing the following pronouncement:

Hence, this appeal anchored on serious errors and grave abuse of discretion committed by the Labor Arbiter in dismissing the complaint, with the complainant[35] asserting that the diagnosed illnesses that caused the death [sic] of the seafarer are listed as occupational illnesses under the POEA Standard Employment Contract, and therefore compensable.

The appeal is impressed with merit.

It must be clarified at the outset that while respondents[36] have argued that complainant was on finished contract, having embarked in June 2007, this contention is belied by the POEA-approved contract clearly showing that complainant's last contract on board the vessel "TAHITIAN PRINCESS" was for a period of ten months commencing on July 8, 2008 or the date of his departure. That complainant was medically repatriated on March 22, 2009 or two months short of the 10-month contract duration is not disputed, and as such the reasonable presumption is that complainant's contract had not expired or [was not] completed, as claimed by respondents.

Proceeding to the primary issue in this appeal, we find that complainant's allegation notwithstanding, it is the provisions of the POEA Standard Employment Contract that would have to be applied. The contention that the claim for disability compensation should be based on the provisions of the CBA which provides higher benefits is untenable as it is unequivocally stated in the CBA that disability compensation under said Agreement is conditioned upon a finding that the injury is due to an accident. In this case, complainant was repatriated due to illness, thereby excluding the coverage of his claim under the CBA.

Under Section 20.B of the POEA Standard Employment Contract, the employer is liable for payment of disability compensation arising from work-related illness/injury sustained or contracted during the period of the seafarer's employment. Section 32-A of the same Contract enumerates what are deemed occupational illnesses, whereas Section 20.D specifically states that illnesses not listed are disputably presumed