

THIRD DIVISION

[G.R. NO. 158187, February 11, 2005]

**MARILYN GEDUSPAN AND DRA. EVANGELYN FARAHMAND,
PETITIONERS, VS. PEOPLE OF THE PHILIPPINES AND
SANDIGANBAYAN, RESPONDENTS.**

D E C I S I O N

CORONA, J.:

Does the Sandiganbayan have jurisdiction over a regional director/manager of government-owned or controlled corporations organized and incorporated under the Corporation Code for purposes of RA 3019, the Anti-Graft and Corrupt Practices Act? Petitioner Marilyn C. Geduspan assumes a negative view in the instant petition for certiorari under Rule 65 of the Rules of Court. The Office of the Special Prosecutor contends otherwise, a view shared by the respondent court.

In the instant Rule 65 petition for certiorari with prayer for a writ of preliminary injunction and/or issuance of a temporary restraining order, Geduspan seeks to annul and set aside the resolutions^[1] dated January 31, 2003 and May 9, 2003 of the respondent Sandiganbayan, Fifth Division. These resolutions denied her motion to quash and motion for reconsideration, respectively.

On July 11, 2002, an information docketed as Criminal Case No. 27525 for violation of Section 3(e) of RA 3019, as amended, was filed against petitioner Marilyn C. Geduspan and Dr. Evangeline C. Farahmand, Philippine Health Insurance Corporation (Philhealth) Regional Manager/Director and Chairman of the Board of Directors of Tiong Bi Medical Center, Tiong Bi, Inc., respectively. The information read:

That on or about the 27th day of November, 1999, and for sometime subsequent thereto, at Bacolod City, province of Negros Occidental, Philippines, and within the jurisdiction of this Honorable Court, above-named accused MARILYN C. GEDUSPAN, a public officer, being the Regional Manager/Director, of the Philippine Health Insurance Corporation, Regional office No. VI, Iloilo City, in such capacity and committing the offense in relation to office, conniving, confederating and mutually helping with DR. EVANGELINE C. FARAHMAND, a private individual and Chairman of the Board of Directors of Tiong Bi Medical Center, Tiong Bi, Inc., Mandalangan, Bacolod City, with deliberate intent, with evident bad faith and manifest partiality, did then and there wilfully, unlawfully and feloniously release the claims for payments of patients confined at L.N. Memorial Hospital with Philippine Health Insurance Corp., prior to January 1, 2000, amounting to NINETY ONE THOUSAND NINE HUNDRED FIFTY-FOUR and 64/100 (P91,954.64), Philippine Currency, to Tiong Bi Medical Center, Tiong Bi, Inc. despite clear provision in the Deed of Conditional Sale executed on November 27, 1999, involving the sale

of West Negros College, Inc. to Tiong Bi, Inc. or Tiong Bi Medical Center, that the possession, operation and management of the said hospital will be turned over by West Negros College, Inc. to Tiong Bi, Inc. effective January 1, 2000, thus all collectibles or accounts receivable accruing prior to January 1, 2000 shall be due to West Negros College, Inc., thus accused MARILYN C. GEDUSPAN in the course of the performance of her official functions, had given unwarranted benefits to Tiong Bi, Inc., Tiong Bi Medical Center, herein represented by accused DR. EVANGELINE C. FARAHMAND, to the damage and injury of West Negros College, Inc.

CONTRARY TO LAW.

Both accused filed a joint motion to quash dated July 29, 2002 contending that the respondent Sandiganbayan had no jurisdiction over them considering that the principal accused Geduspan was a Regional Director of Philhealth, Region VI, a position classified under salary grade 26.

In a resolution dated January 31, 2003, the respondent court denied the motion to quash. The motion for reconsideration was likewise denied in a resolution dated May 9, 2003.

Hence, this petition.

Petitioner Geduspan alleges that she is the Regional Manager/Director of Region VI of the Philippine Health Insurance Corporation (Philhealth). However, her appointment paper and notice of salary adjustment^[2] show that she was appointed as Department Manager A of the Philippine Health Insurance Corporation (Philhealth) with salary grade 26. Philhealth is a government owned and controlled corporation created under RA 7875, otherwise known as the National Health Insurance Act of 1995.

Geduspan argues that her position as Regional Director/Manager is not within the jurisdiction of the Sandiganbayan. She cites paragraph (1) and (5), Section 4 of RA 8249 which defines the jurisdiction of the Sandiganbayan:

Section 4. Jurisdiction. The Sandiganbayan shall exercise original jurisdiction in all cases involving:

- a. Violations of Republic Act No. 3019, as amended, otherwise known as the Anti-Graft and Corrupt Practices Act, Republic Act No. 1379, and Chapter II, Section 2, Title VII, Book of the Revised Penal Code, where one or more of the accused are officials occupying the following positions in the government, whether in a permanent, acting or interim capacity, at the time of the commission of the offense:

(1) Officials of the executive branch occupying the positions of regional director and higher, otherwise classified as Grade "27" and higher, of the Compensation and Position Classification Act of 1989 (Republic Act No. 6758); specifically including;