SECOND DIVISION

[G.R. No. 204766, March 06, 2017]

DEPARTMENT OF HEALTH, REPRESENTED BY SECRETARY ENRIQUE T. ONA, PETITIONER, VS. GLORIA B. AQUINTEY, EDUARDO F. MENDOZA AND AGNES N. VILLANUEVA, RESPONDENTS.

DECISION

PERALTA, J.:

Before the Court is a petition for review on *certiorari* seeking the reversal and setting aside of the Decision^[1] and Resolution^[2] of the Court of Appeals (*CA*), dated March 20, 2012 and November 27, 2012, respectively, in CA-G.R. SP No. 108775. The assailed Decision reversed and set aside the October 6, 2008 and March 31, 2009 Resolutions of the Civil Service Commission (*CSC*) finding herein respondents guilty of gross insubordination and imposing upon them the penalty of nine (9) months suspension, while the questioned CA Resolution denied petitioner's Motion for Reconsideration.

The pertinent factual and procedural antecedents of the case are as follows:

On February 24, 2004, the Center for Health Development I, represented by Dr. Eduardo C. Janairo (*Dr. Janairo*), in his capacity as Officer-in-Charge (*OIC*) of the Ilocos Training and Regional Medical Center (*ITRMC*) in San Fernando, La Union, filed before the Department of Health (*DOH*) an administrative complaint charging herein respondents with gross insubordination, grave misconduct, gross neglect of duty and conduct prejudicial to the best interest of the service. The complaint basically alleged that respondents, with full knowledge that Dr. Janairo was the lawfully designated OIC of ITRMC, disregarded and defied the orders issued to them by the latter without any valid or justifiable reason.^[3]

Prior to the filing of the above administrative complaint, Dr. Janairo was involved in a dispute as to who, between him and a certain Dr. Gilbert De Leon (*Dr. De Leon*), was the lawfully designated OIC of the ITRMC.

Records disclose that on February 4, 2002, then DOH Secretary, Dr. Manuel A. Dayrit, designated Dr. De Leon as OIC of the ITRMC for a fixed term of one year, or until February 4, 2003. It would appear that Dr. De Leon remained in his position beyond the on;e-year period or until June 6, 2003 when Secretary Dayrit issued Department Order Nos. 108-A and 108-I relieving him of his duties and responsibilities as OIC and designating Dr. Janairo as his replacement.

Claiming that he was aggrieved by such replacement, Dr. De Leon filed a petition for injunction and/or temporary restraining order (*TRO*) with the Regional Trial Court (*RTC*) of San Fernando, La Union. This dispute between Dr. Janairo and Dr. De Leon

spawned a series of cases, including the present petition, which eventually reached this Court.

Meanwhile, on June 23, 2003, the RTC issued a TRO and, thereafter, on July 11, 2003, a writ of preliminary injunction, directing Secretary Dayrit to cease and desist from enforcing his order relieving Dr. De Leon from his post as OIC and designating Dr. Janairo as his replacement.

Secretary Dayrit and Dr. Janairo then pled a petition for *certiorari* with the CA questioning the writ of preliminary injunction issued by the RTC. On November 10, 2003, the CA issued a Resolution which ordered the maintenance of the *status quo*. Pertinent portions of the said Resolution read as follows:

Without delving yet on the merits of the main petition, this court finds that there is a need to maintain *status quo* so as not to preempt and render nugatory whatever resolution this Court may hand down in its consideration of the main petition $x \times x$

x x x x x x x x x

While we are in the process of determining whether or not the issuance by the Respondent Judge of the mandatory injunction (sic) was done with caution and within the parameters of the law, the *status quo* should be respected in the meantime.

WHEREFORE, in the interest of an orderly and efficient service and in order to preserve the respective rights of the parties pending actual resolution of the principal controversy, this Court resolves to grant the petitioner's application and hereby issues a Writ of Preliminary Injunction effective until Resolution of the instant Petition for *Certiorari*.

ACCORDINGLY, this Court hereby RESOLVES to direct respondent Judge and/or any person acting under his authority to cease and desist from implementing or enforcing the Order dated 11 July 2003 x x x

RESOLVED FURTHER, to direct private respondent Dr. Gilbert De Leon to cease and desist from discharging and/or performing the duties as Officer-in-Charge of Ilocos Training and Regional Medical Center (ITRMC), San Fernando City, La Union.

RESOLVED FINALLY, to direct both parties to maintain *status quo* or the last, actual, peaceable non-contested status which preceded the original controversy in the court *a quo*, **which is the assumption by petitioner Dr. Eduardo Janairo**.^[4]

Thereafter, Secretary Dayrit issued Department Order No. 231-D,^[5] directing Dr. Janairo to perform his function as OIC of ITRMC. Nonetheless, Dr. De Leon refused to vacate the office and continued to perform the duties of the OIC.

Subsequent to the issuance of Department Order No. 231-D, Dr. Janairo, issued several Office Orders, Memoranda and letters addressed separately to respondents, as follows:

a. Office Order No. 1414 dated November 14, 2003, directing respondents Aquintey and Mendoza to undertake the inventory of equipment, supplies and materials, drugs and medicines, medical/surgical/lab supplies and all other properties of the hospital and to report directly to Janairo the results thereof. Under this Order, Aquintey and Mendoza were temporarily relieved of their duties as Administrative Officer IV and Accountant III, respectively.

b. Memorandum No. 55 dated November 18, 2003, addressed to Aquintey and Mendoza, as well as Memorandum No. 60 dated November 20, 2003, addressed to Villanueva, directing the three respondents to cease and desist from discharging and/or performing the duties and responsibilities inherent to their respective positions. They were, likewise, ordered to refrain from signing official documents pertinent to the day-today operations of the hospital and to turn over all records and other pertinent documents of all operational transactions of ITRMC to Dr. Janairo.

c. Letter dated November 20, 2003, requiring Aquintey and Mendoza to submit their written comment/answer within 48 hours for their failure to comply with the directives stated in Office Order No. 1414 and Memorandum No. 55.

d. Memorandum No. 34 dated November 17, 2003, advising Mendoza and Villanueva to hold all transactions awaiting payment and/or issuance of checks in the ITRMC.

e. Memorandum No. 66 dated November 25, 2003, directing Villanueva to turn over all accountabilities to the designated OIC Cashier to be witnessed by the resident auditors;

f. Office Memorandum No. 068-A dated December 5, 2003, ordering Villanueva to discuss with Dr. Janairo the deteriorating condition of ITRMC; and

g. Memorandum No. 71 dated December 11, 2003, directing Villanueva to turn over to the Budget Officer III of the ITRMC within 48 hours from receipt of the said Memorandum various documents consisting of checkbooks for 9 accounts, disbursement records, records of checks issued and cancelled, passbooks and cash receipt journal.

However, respondents did not comply with the said issuances leading to the filing of the abovementioned administrative case against them before the DOH, which was docketed as Administrative Case No. 51-04.

On July 12, 2007, then DOH Secretary Francisco T. Duque III, who took over from Secretary Dayrit, rendered a Decision^[6] in the said administrative case finding