

THIRD DIVISION

[G.R. No. 208314, August 23, 2017]

ANTONIO B. MANANSALA, PETITIONER, VS. MARLOW NAVIGATION PHILS., INC./MARLOW NAVIGATION CO. LTD./CYPRUS, AND/OR EILEEN MORALES, RESPONDENTS.

DECISION

LEONEN, J.:

As laypersons, seafarers cannot be expected to make completely accurate accounts of their state of health. Unaware of the nuances of medical conditions, they may, in good faith, make statements that turn out to be false. These honest mistakes do not negate compensability for disability arising from pre-existing illnesses shown to be aggravated by their working conditions. However, when a seafarer's proper knowledge of pre-existing conditions and intent to deceive an employer are established, compensability is negated.

This resolves a Petition for Review on Certiorari^[1] under Rule 45 of the 1997 Rules of Civil Procedure praying that the assailed April 10, 2013 Decision^[2] and July 18, 2013 Resolution^[3] of the Court of Appeals in CA-G.R. SP No. 124546 be reversed and set aside.

The assailed Court of Appeals Decision affirmed the National Labor Relations Commission's December 13, 2011 Decision^[4] and February 28, 2012 Resolution,^[5] which, in turn, affirmed the Labor Arbiter's April 20, 2011 Decision.^[6] The Labor Arbiter dismissed Antonio B. Manansala's (Manansala) Complaint for payment of total and permanent disability benefits. The assailed Court of Appeals Resolution denied Manansala's Motion for Reconsideration.^[7]

On April 8, 2010, Manansala's services were engaged by Marlow Navigation Phils., Inc., for and on behalf of its principal, Marlow Navigation Co. Ltd./Cyprus, for him to serve as a "fitter" on board the vessel M/V Seaboxer.^[8]

Before boarding the vessel, Manansala underwent a Pre Employment Medical Examination (PEME) on March 23, 2010^[9] at the EL ROI Medical Clinic and Diagnostic Center, Inc.^[10] In his examination, Manansala was required to disclose information regarding all existing and prior medical conditions. The examination specifically required information on 29 illnesses and/or conditions, among which were hypertension and diabetes. Manansala's examination certificate indicates that he denied having hypertension and diabetes, specifically answering "NO" when asked about hypertension and diabetes mellitus. Following his examination, Manansala was declared fit for sea duty and was deployed.^[11]

On May 30, 2010, while on board the M/V Seaboxer, Manansala suffered a stroke, [12] "experienc[ing] moderate headache at the vertex associated with dizziness and blurring of vision and right[-]sided weakness." [13] He was, then, admitted to the ADK Hospital in the Maldives [14] where a brain CT scan conducted on him showed that he was suffering from an "[a]cute infarct at the left MCA territory." [15] Because of this, Manansala was repatriated on June 8, 2010. [16]

Manansala was confined at the De Los Santos Medical Center from June 10, 2010 to June 23, 2010, [17] under the primary care of company-designated physician, Dr. Teresita Barrairo (Dr. Barrairo). [18] While under Dr. Barrairo's care, he "repeatedly denied that he ha[d] any past history of diabetes and hypertension." [19]

On September 7, 2010, [20] Dr. Barrairo issued to Manansala an interim Grade 10 disability rating. [21] She issued a final Grade 10 Disability assessment on September 30, 2010. [22]

On October 21, 2010, Manansala filed a Complaint against the respondents for total and permanent disability benefits, as well as damages and attorney's fees. [23] When the mandatory conferences failed, the parties were ordered to file their respective position papers and responsive pleadings. [24]

Two (2) months after he filed his Complaint, on December 20, 2010, Manansala's own doctor, Dr. Amado San Luis (Dr. San Luis), issued a medical opinion stating that Manansala must be considered permanently disabled:

Medical Opinion

....

4. Patient should be permanently disabled (sic) because of the inherent risk of his work as a seaman that will predispose him to repeated stroke or other cardiovascular attacks. Because of the presence of diabetes, hypertension, hyperlipidemia and stroke, he is considered a high risk of (sic) developing another stroke. [25]

The same opinion indicated that Manansala admitted to having had a long history of hypertension and diabetes, He even admitted to taking Enalapril and Metformin as maintenance medications. [26]

On April 20, 2011, the Labor Arbiter rendered a Decision finding that Manansala was suffering from pre-existing, rather than work-related, ailments. Therefore, he was not entitled to disability benefits. [27]

On December 13, 2011, the National Labor Relations Commission rendered a Decision affirming that of the Labor Arbiter. [28] In a Resolution dated February 28, 2012, the National Labor Relations Commission denied Manansala's Motion for Reconsideration. [29]

Manansala filed a Petition for Certiorari before the Court of Appeals. In its assailed

April 10, 2013 Decision, the Court of Appeals sustained the decision of the National Labor Relations Commission.^[30] In its assailed July 18, 2013 Resolution,^[31] the Court of Appeals denied Manansala's Motion for Reconsideration.

Hence, Manansala filed the present Petition. He now asserts that he properly disclosed his pre-existing illnesses during his medical examination and that his stroke was work-related.^[32]

For resolution is the sole issue of whether or not petitioner Antonio B. Manansala is entitled to total and permanent disability benefits occasioned by work-related illnesses.

He is not.

I

Filipinos hired as seafarers are contractual employees whose employment is governed by their respective contracts with their employers: "[t]heir employment is governed by the contracts they sign every time they are rehired and their employment is terminated when the contract expires."^[33]

Seafarers must be registered with the Philippine Overseas Employment Administration (POEA).^[34] The POEA Standard Employment Contract (POEA-SEC) must be executed by seafarers and their employers "as a condition sine qua non prior to the deployment for overseas work"^[35] and is "deemed incorporated in [seafarer] employment contract[s]."^[36]

The POEA-SEC^[37] requires the employer to compensate a seafarer for work-related illnesses.^[38] It defines "work-related illness" as follows:

Definition of Terms:

....

12. Work-Related Illness - any sickness resulting to disability or death as a result of an occupational disease listed under Section 32-A of this Contract with the conditions set therein satisfied.^[39]

The benefits that the employer must pay "when the seafarer suffers work-related injury or illness during the term of his contract"^[40] are outlined in Section 20(B) of the POEA-SEC.^[41]

The compensation to be given to a seafarer depends on the severity of the disability suffered. Section 32 of the POEA-SEC provides a schedule of disabilities and their corresponding impediment grades.^[42] The grades range from 1 to 14, with 1 being the most severe and entailing the highest amount of compensation.^[43]

II

Section 32-A of the POEA-SEC provides a non-exhaustive list^[44] of diseases

considered as occupational. The mere occurrence of a listed illness does not automatically engender compensability. The first paragraph of Section 32-A requires the satisfaction of all of its listed general conditions "[f]or an occupational disease and the resulting disability or death to be compensable":

Section 32-A OCCUPATIONAL DISEASES

For an occupational disease and the resulting disability or death to be compensable, all of the following conditions must be satisfied:

- (1) The seafarer's work must involve the risks described herein;
- (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;
- (4) There was no notorious negligence on the part of the seafarer.

To enable compensation, an occupational disease and ensuing death or disability must, thus, be "work-related";^[45] that is to say that there must be a "reasonable linkage between the disease suffered by the employee and his work."^[46]

Common sense dictates that an illness could not possibly have been "contracted as a result of the seafarer's exposure to the described risks"^[47] if it has been existing before the seafarer's services are engaged. Still, pre existing illnesses may be aggravated by the seafarer's working conditions. To the extent that any such aggravation is brought about by the work of the seafarer, compensability ensues:

Settled is the rule that for illness to be compensable, it is not necessary that the nature of the employment be the sole and only reason for the illness suffered by the seafarer. It is sufficient that there is a reasonable linkage between the disease suffered by the employee and his work to lead a rational mind to conclude that his work may have contributed to the establishment or, *at the very least, aggravation of any pre-existing condition he might have had.*^[48] (Emphasis supplied).

Consistent with the basic standard in labor cases and other administrative proceedings, the linkage between the disease or its aggravation and the working conditions of a seafarer must be proven by substantial evidence. In *Jebsens Maritime v. Undag*:^[49]

In labor cases as in other administrative proceedings, substantial evidence or such relevant evidence as a reasonable mind might accept as sufficient to support a conclusion is required. The oft-repeated rule is that whoever claims entitlement to the benefits provided by law should establish his or her right thereto by substantial evidence. Substantial evidence is more than a mere scintilla. *The evidence must be real and substantial, and not merely apparent; for the duty to prove work-causation or work-aggravation imposed by law is real and not merely apparent.*^[50] (Emphasis supplied, citations omitted)

Compensability is not limited to Section 32-A's listed occupational diseases. For as long as seafarers are able to show by substantial evidence that they suffered

disabilities occasioned by a disease contracted on account of or aggravated by working conditions, compensation is availing:

Of course, the law recognizes that under certain circumstances, certain diseases not otherwise considered as an occupational disease under the POEA-SEC may nevertheless have been caused or aggravated by the seafarer's working conditions. In these situations, the law recognizes the inherent paucity of the list and the difficulty, if not the outright improbability, of accounting for all the known and unknown diseases that may be associated with, caused or aggravated by such working conditions.

Hence, the POEA-SEC provides for a disputable presumption of work-relatedness for non-POEA-SEC-listed occupational disease and the resulting illness or injury which he may have suffered during the term of his employment contract.

This disputable presumption is made in the law to signify that the non inclusion in the list of compensable diseases/illnesses does not translate to an absolute exclusion from disability benefits. In other words, the disputable presumption does not signify an automatic grant of compensation and/or benefits claim; the seafarer must still prove his entitlement to disability benefits by substantial evidence of his illness' work-relatedness.^[51]

III

The POEA-SEC bars the compensability of disability arising from a pre-existing illness when attended by an employee's fraudulent misrepresentation. Section 20(E) of the POEA-SEC states:

E. A seafarer who knowingly conceals and does not disclose past medical condition, disability and history in the pre-employment medical examination constitutes fraudulent misrepresentation and shall disqualify him from any compensation and benefits. This may also be a valid ground for termination of employment and imposition of the appropriate administrative and legal sanctions.

The POEA-SEC's terminology is carefully calibrated: it does not merely speak of incorrectness or falsity, or of incompleteness or inexactness. Rather, to negate compensability, it requires *fraudulent misrepresentation*.

To speak of fraudulent misrepresentation is not only to say that a person failed to disclose the truth but that he or she deliberately concealed it for a malicious purpose. To amount to fraudulent misrepresentation, falsity must be coupled with intent to deceive and to profit from that deception.

Consequently, reasonable leeway may be extended for inability to make complete and fastidiously accurate accounts when this inability arises from venial human limitation and frailty. This is a normal tendency for laypersons-such as seafarers-rendering accounts of their own medical conditions.