

THIRD DIVISION

[G.R. No. 176276, November 28, 2008]

**PHILIPPINE HEALTH INSURANCE CORPORATION, PETITIONER,
VS. THE COURT OF APPEALS AND CHINESE GENERAL HOSPITAL
AND MEDICAL CENTER, RESPONDENTS.**

DECISION

NACHURA, J.:

The Philippine Health Insurance Corporation (Philhealth) filed this Petition for *Certiorari* seeking to nullify the October 13, 2006^[1] and November 26, 2006^[2] Resolutions of the Court of Appeals (CA) in CA-G.R. SP No. 59294.

The antecedents.

Respondent Chinese General Hospital and Medical Center (CGHMC) had been an accredited health care provider under the Philippine Medical Care Commission (Medicare). CGHMC filed Medicare claims with the Social Security System (SSS) for the medical services it rendered from 1989-1992 amounting to P8,102,782.10.

On February 14, 1995, Republic Act No. 7875, otherwise known as *An Act Instituting a National Health Insurance Program for All Filipinos and Establishing the Philippine Health Insurance Corporation for That Purpose*, was enacted; thus, all pending applications for Medicare claims, including those of CGHMC, were transferred to petitioner Philhealth. Instead of giving due course to CGHMC's claim amounting to P8,102,782.10, Philhealth only paid P1,365,556.32 for the 1989-1992 claim.

CGHMC again filed claims for medical services with the Claims Review Unit of Philhealth, this time covering the period 1998-1999, amounting to P7,554,342.93, but they were denied on January 14, 2000, for they were filed beyond the sixty (60)-day period allowed by the implementing rules and regulations. Philhealth denied CGHMC's claims with finality on June 6, 2000.

CGHMC forthwith filed a petition for review with the CA, docketed as CA-G.R. SP No. 59294. On March 29, 2004, the CA granted the petition and ordered Philhealth to pay the claims in the amount of P14,291,568.71. The decretal portion of the CA decision reads:

FOR THE FOREGOING DISQUISITIONS, the petition is **GRANTED**, the Philippine Health Insurance Corporation is hereby ordered to give to [respondent's], Chinese General Hospital and Medical Center, claims for the period from 1989 to 1992, and from 1998 to 1999, amounting to FOURTEEN MILLION TWO HUNDRED NINETY-ONE THOUSAND FIVE HUNDRED SIXTY-EIGHT PESOS and 71/100 PESOS (P14,291,568.71). No pronouncement as to costs.

SO ORDERED.^[3]

The above decision was affirmed by this Court on April 15, 2005 in G.R. No. 163123. Philhealth moved for reconsideration of the Decision, but this Court denied the same on July 11, 2005.

To satisfy the judgment, CGHMC filed a Motion for Execution of the decision with the CA, which was granted in its July 12, 2006 Resolution, *viz.* :

WHEREFORE, the motion for execution is hereby **GRANTED**. [Philhealth] is hereby ordered to pay [CGHMC's] claims for the period from 1989 to 1992, and from 1998-1999, amounting to FOURTEEN MILLION TWO HUNDRED NINETY-ONE THOUSAND FIVE HUNDRED SIXTY-EIGHT PESOS and 71/100 (P14,291,568.71), upon the latter's submission of the pertinent documents necessary for the processing of the payments.

SO ORDERED.^[4]

CGHMC moved for partial reconsideration of the CA Resolution arguing that this Court's Decision in G.R. No. 163123 did not impose any condition for entitlement to payment from Philhealth.

On October 13, 2006, the CA granted CGHMC's motion for partial reconsideration, *viz.* :

ACCORDINGLY, the decretal portion of our Resolution dated July 12, 2006 is hereby MODIFIED to read as follows:

WHEREFORE, the motion for execution is hereby GRANTED. [Philhealth] is hereby ordered to pay [CGHMC's] claim for the period from 1989 to 1992, and from 1998-1999, amounting to FOURTEEN MILLION TWO HUNDRED NINETY-ONE THOUSAND FIVE HUNDRED SIXTY-EIGHT PESOS and 71/100 (P14,291,568.71)

SO ORDERED.

SO ORDERED.^[5]

Petitioner moved for the reconsideration of the CA Resolution, but the same was denied on November 27, 2006.

Hence, this petition for *certiorari*.

Philhealth vehemently ascribes legal error and grave abuse to the CA for ordering payment of claims for 1998-1999 or the determined amount of P14,291,568.71. It stresses that the dispositive portion of this Court's Decision in G.R. No. 163123 did not order the payment of claims from 1998-1999. By issuing the assailed Resolutions, the CA, in effect, modified a final and executory judgment. Petitioner submits that under the doctrine of finality of judgment, as pronounced by this Court in several cases, a final and executory decision can no longer be amended or