

FIRST DIVISION

[G.R. NO. 168821, April 10, 2006]

**GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS),
PETITIONER, VS. JAIME A. VALENCIANO, RESPONDENT.**

DECISION

YNARES-SANTIAGO, J.:

This petition^[1] for review on certiorari under Rule 45 of the Rules of Court assails the July 7, 2005 Decision of the Court of Appeals^[2] in CA-G.R. SP No. 78511 which reversed and set aside the June 26, 2003 Decision of the Employees' Compensation Commission^[3] (ECC) dismissing the claim by respondent Jaime A. Valenciano for compensation benefits under Presidential Decree (PD) No. 626 or the Employees' Compensation Law.

The facts of the case as summarized in the ECC Decision are as follows:

The [respondent], Jaime Valenciano, started his career in government on November 8, 1977 as Clerk II of the Philippine Ports Authority (PPA), South Harbor, Port Area, Manila. He was promoted to Clerk B, Traffic Systems Implementation Specialist, Terminal Operations Officer, Terminal Operations Officer A, and, finally, as Senior Terminal Operations Officer in 1993.

[Respondent's] job description showed that he was responsible for the following:

1. Analyzes effectiveness of system and procedures to determine reliability and integrity of financial, administrative, engineering and operational transactions;
2. Analyzes and evaluates implementation and compliance of RCs, PDS and service agents to PPA policies, rules and regulations;
3. Appraises the organizational structure and adequacy and effectiveness of internal control to ascertain the extent to which the assets and other resources of the agency are accounted for and safeguarded from losses of all kinds;
4. Conducts review of services provided by PPA RCs/Units and appraises quality of performance;
5. Prepares audit reports and presents to management, key officials findings/observation gathered during the audit;

6. Recommends to management action to be taken to improve performance of PPA RCs and services agencies;
7. Conducts researches on issuances and publications related to assigned areas;
8. Performs other related functions.

A Medical Certificate from the University of Santo Tomas Hospital (UST), Espana, Manila dated April 12, 1984 reveals that the [respondent], a chain smoker since age twenty (20), was admitted at the said hospital on February 27, 1984 where he was diagnosed to be suffering from **Coronary Artery Disease**.

Sometime in 1986, it was discovered that the appellant was suffering from **Diabetes**. His Physical and Medical Examination Record shows that sometime in 1988, the [respondent] experienced insomnia and sudden loss of appetite accompanied by **dyspnea** (shortness of breathing), cough with whitish phlegm, and chest pain. Despite medications, no improvement was noted and he soon complained of lumbar pain, hoarseness of voice and itchiness of throat. He was diagnosed to be suffering from **Hypertension**. His blood pressure reading then was noted to be at 150/100 mmHg to 160/100 mmHg.

On March 8, 1999, the [respondent] was confined at Medical Center Manila, Ermita, Manila due to cough, fever and **hemoptysis** (the coughing out of blood) where his ailment was diagnosed as **Pulmonary Tuberculosis III**.

Sometime in April, 2001, the [respondent] felt chest pain. Immediate consultative diagnosis taken at The Doctor's Hospital, Bacolod City found him to be suffering from **Bronchial Asthma, Chronic Intermittent; Infero Lateral Wall, Non ST elevation Myocardial Infarction; Dyslipidemia**. His medical records show that starting April, 2001, he frequently went on sick leave due to his ailments. From May to December, 2001, he was hospitalized for several times at the Manila Doctors Hospital, United Nations Ave., Manila. His ailment was diagnosed as **Ischemic Heart Disease; Non-Insulin Dependent Diabetes Mellitus; Dyslipidemia**.

On November 28, 2001, the [respondent] was admitted at the Manila Doctors' Hospital due to cough with phlegm. His attending physician diagnosed his ailment as **Pneumonia**, moderate risk resolved; **Cerebrovascular Disease (CVD)**, bleed, left thalamic; **Hypertensive Cardiovascular Disease**, not in failure; **Diabetes Mellitus**, type II.

When the [respondent's] chest was subjected to x-ray on October 17, 2002 at New World Laboratory, Quezon City, it was found out that his heart was suffering from **Lateral Wall Ischemia; Left Atrial Enlargement**.^[4]

Respondent filed with petitioner Government Service Insurance System (GSIS), a claim for compensation benefits under PD No. 626. However, petitioner denied the respondent's claim on the ground that the ailments, Hypertension, Cerebrovascular Accident (CVA), Diabetes Mellitus type II are not considered occupational diseases; neither is there any showing that his duties have increased the risk of contracting said ailments.^[5]

Respondent's appeal to the ECC was dismissed for lack of merit^[6] on the grounds that hypertension,^[7] pneumonia and pulmonary tuberculosis^[8] are mere complications of his primary ailment, diabetes mellitus, which is not an occupational disease hence, not compensable. Even if cerebrovascular accident is an occupational disease under Annex "A" of the Amended Rules on Employees' Compensation, the ECC held that its compensability requires compliance with all the conditions set forth in the rules which respondent failed to show.^[9]

On petition for review, the Court of Appeals upheld the ruling of the ECC that diseases, such as *Ischemic Heart Disease, Coronary Artery Disease, Myocardial Infarction, Bronchial Asthma, dyspnea and dyslipidemia*, are complications of diabetes mellitus, which is not work-connected hence not compensable.^[10] The appellate court also noted that respondent failed to prove that the risk of contracting these diseases is increased by his working conditions.^[11]

The appellate court however disagreed with the findings of the ECC that *pneumonia, pulmonary tuberculosis* and hypertension are solely caused and directly connected with respondent's diabetes mellitus and that the cerebrovascular accident (stroke) he sustained did not sufficiently comply with the requirements of the Amended Rules on Employees' Compensation thereby justifying the dismissal of his claim.^[12] According to the appellate tribunal, pneumonia and pulmonary tuberculosis are respiratory diseases which may be caused by the environment or occupation depending on the level of sanitation of the surroundings.^[13] In the course of his employment, respondent was stationed in the Port of Manila which is located in an area where sanitation is questionable.^[14] His work required him to mingle with people from different walks of life.^[15] His job also demanded a lot of mental work thereby making him susceptible to stress and fatigue that could weaken his resistance and cause hypertension which in turn could trigger a cerebrovascular accident or stroke.^[16]

The Court of Appeals thus held that respondent is entitled to claim compensation benefits because ***pneumonia, pulmonary tuberculosis*** and ***hypertension*** are among the occupational diseases listed in Annex "A" of the Amended Rules on Employees' Compensation.

In the instant petition for review, petitioner insists that ***hypertension*** is a complication of respondent's diabetes mellitus which has been found to be non-work connected; as such, respondent could not validly claim compensation benefits under this disease.^[17] It asserts that medical science has proven that diabetics are vulnerable to various infections and that ***pneumonia*** is common among them.^[18] As regards respondent's ***pulmonary tuberculosis***, petitioner alleges that respondent suffered the same way back in 1999 and that his medical records show