

Title:

Scanmar Maritime Services, Inc. v. Emilio Conag (G.R. No. 199033)

Facts:

1. **Employment and Injury (2009)**: Emilio Conag was employed by Scanmar Maritime Services, Inc. as a bosun's mate on various vessels. On March 27, 2009, he was deployed aboard the M/T Ile de Brehat. On June 19, 2009, while performing his duties, he experienced numbness in his hip and back which was temporarily relieved by pain medications.
2. **Medical Repatriation (August 2009)**: Two months later, the pain intensified, and on August 18, 2009, Conag was hospitalized in Tunisia. He was medically repatriated on August 25, 2009.
3. **Assessment by Company-Designated Physicians**: Upon arrival in Manila on August 27, 2009, Conag went through examinations at the Metropolitan Medical Center (MMC) under Dr. Robert Lim and Dr. Esther Go. He was found to have "Mild Lumbar Levoconvex Scoliosis and Spondylosis; Right S1 Nerve Root Compression."
4. **Certificate of Fitness (December 2009)**: On December 1, 2009, the company physicians declared Conag fit to resume sea duties. Conag signed a Certificate of Fitness for Work but claimed it was a condition for releasing his sick pay.
5. **Private Medical Opinion (March 2010)**: Conag consulted Dr. Manuel Jacinto, who declared him unfit for seafaring duties on March 20, 2010.
6. **Labor Arbiter Decision (July 2010)**: Conag filed a complaint on February 18, 2010, for disability benefits. The Labor Arbiter ruled in his favor, granting full and permanent disability benefits, and invalidated the Certificate of Fitness as a waiver.
7. **NLRC Decision (November 2010)**: The employer appealed, and the NLRC dismissed Conag's complaint, emphasizing lack of compliance with the POEA-SEC requirement for a neutral third physician's assessment in case of dispute.
8. **Court of Appeals Decision (January 2014)**: The CA reversed the NLRC, reinstating the LA's decision based on the evidence of Conag's spinal injury and his medical incapacitation from his duties.

Issues:

1. **Validity of the Medical Opinion of the Company-Designated Physician**: Whether the company-designated physician's declaration of fitness was correctly disregarded.
2. **Entitlement to Full Disability Compensation**: Whether Conag was rightly awarded full disability compensation under the terms of the collective bargaining agreement (CBA).
3. **Application of the 120-Day Rule**: Whether the CA's reliance on Conag's inability to work for 120 days justified the awarding of full disability compensation.
4. **Awarding of Attorney's Fees**: Whether attorney's fees were rightly awarded despite the employer's justified refusal to pay full and permanent disability benefits.

Court's Decision:

The Supreme Court granted the petition, reversing the decision of the Court of Appeals and reinstating the decision of the NLRC.

1. **Medical Opinion of Company-Designated Physician**: The Court found that the company-designated physicians followed a rigorous procedure, including tests and consultations, leading to the diagnosis and fitness assessment. Conag's subsequent activities supported this assessment. The Court found Dr. Jacinto's assessment insufficient due to lack of detailed medical evidence and procedures.
2. **Rejection of Full Disability Compensation**: The Court concluded that there was no adequate evidence to support the extent of Conag's claimed injury. The incident logs did not support a work-related injury, and Conag's narrative was not corroborated by the necessary independent medical evidence or assessments.
3. **120-Day Rule Inapplicability**: The Supreme Court found that circumstances justified extending the medical attention period, thus negating Conag's claim for total disability based on the 120-day rule. Moreover, POEA-SEC amendments emphasize disability grading over treatment duration.
4. **Rejection of Attorney's Fees**: As the employer's refusal to grant the full benefit was justified by the evidence and procedural compliance, the awarding of attorney's fees was unfounded.

Doctrine:

- **Medical Assessment by Designated Physicians**: The ruling underscored that the findings of company-designated physicians are binding unless contradicted by competent

medical evidence via a neutral third physician, as stipulated by the POEA-SEC.

- **Work-Related Injury and Disability Claims**: A claimant must substantiate claims of work-related injuries through timely and documented medical assessments.
- **120-Day Rule**: The Court reiterated that mere lapse of treatment period without clear medical findings of permanent disability does not warrant full disability benefits.

Class Notes:

- **Key Elements of Disability Claims under POEA-SEC**:
 - Designated physician's assessment within 120 to 240 days.
 - Requirement for a neutral third physician in case of medical disagreement.
 - Disability based on medical grading, not on treatment period duration.
- **Relevant Legal Provisions**:
 - **Labor Code Articles 191-193**: Governing worker compensation.
 - **POEA-SEC Section 20-B(3)**: Procedures for resolving medical disputes.
 - **CBA**: Specifies financial compensation for various disabilities.

Historical Background:

This case illustrates the procedural rigors and requirements under the Philippine Overseas Employment Administration - Standard Employment Contract (POEA-SEC) and Collective Bargaining Agreements (CBA) established to safeguard seafarers' rights while balancing employer protections. It reflects evolving legal interpretations, especially regarding the treatment duration and disability assessments critical in labor disputes involving seafarers.