

****Title:**** Caraan v. Grieg Philippines, Inc., G.R. No. 145678 (2021)

****Facts:****

Celso B. Caraan (petitioner) entered into an employment contract with Grieg Philippines, Inc. (Grieg PH) on August 29, 2013, to serve as a motorman aboard MV Star Loen. His duties included physically strenuous tasks and he worked 18-hour shifts. During his employment, he experienced pain while urinating and observed blood in his urine. He received medical attention in Japan on May 31 and June 1, 2014, where he was diagnosed with a urinary tract infection (UTI) and chronic prostatitis, and was advised follow-up. Subsequently, Caraan was medically repatriated on June 1, 2014.

Upon his return to the Philippines, unable to physically report to Grieg PH due to his medical condition, his wife notified the company. Caraan underwent medical tests that revealed a mass in his left kidney, leading to his surgery and the removal of his kidney. He was eventually diagnosed with renal cell carcinoma. On February 23, 2015, two independent doctors declared him unfit for work.

He filed a claim for total disability benefits on June 15, 2015. The Panel of Voluntary Arbitrators (PVA) found that Caraan substantially complied with the POEA's three-day reporting requirement through his wife's notification and awarded him disability benefits. Nonetheless, the Court of Appeals reversed this decision, emphasizing the petitioner's failure to report within three days.

****Issues:****

1. Whether Caraan is entitled to disability benefits despite not reporting to a company-designated physician within three days.
2. Whether Caraan's condition was work-related and compensable.

****Court's Decision:****

1. ****Three-Day Reporting Requirement:****

- The Supreme Court held that the three-day reportorial period is not an absolute rule and should be interpreted in favor of labor, as social legislation aims to protect workers. Petitioner's wife's notification to the company served the substantive purpose of this requirement. Hence, Caraan's condition excused him from strictly complying due to his physical incapacity.

2. ****Work-Relatedness and Compensability:****

- The Court found that Caraan's condition began during his employment, supported by

symptoms and subsequent medical diagnosis. The Court also recognized that Caraan's work conditions likely aggravated his illness. Consequently, his condition was deemed compensable under the POEA contract, which presumes work-related ailments if adequately proven.

The Supreme Court reinstated the PVA's decision, granting Caraan's disability benefits, attorney's fees, and legal interest.

****Doctrine:****

The three-day requirement for post-employment medical examination under the POEA-SEC is not a strict, all-or-nothing rule. Exceptions may apply wherein substantial compliance or valid justifications, such as physical incapacity, can uphold a seafarer's right to claim disability benefits. Additionally, substantial evidence linking the ailment to the employment period and work conditions can establish compensability.

****Class Notes:****

- ****Key Requirement:**** Section 20(B) of the POEA contract:

1. ****Three-day Reporting:**** Normally necessitates post-employment medical examination by the company-designated physician.
2. ****Arising During Employment:**** The injury must manifest within the contract duration.
3. ****Work-Related Ailment:**** Burden of proving work-connection lies with the claimant.

- ****Compensability Criteria:**** Substantial evidence of work-connection can suffice; not necessarily listed in Section 32.

- ****Legal Framework:**** Article 4 of the Labor Code and Article 2208(8) of the New Civil Code favor liberal interpretation towards labor and granting of attorney's fees for necessary litigation.

****Historical Background:****

This case reflects ongoing efforts to balance procedural requirements with the principle of social justice in labor disputes, upholding the compassionate intent of labor laws to protect workers' rights against technical defenses that could undermine substantial justice. The decision reaffirms the judiciary's role in interpreting labor laws to favor employees, especially in the context of seafarers who face unique occupational hazards.