

ARNULFO C. LOPEZ, PETITIONER, VS. WORKMEN'S COMPENSATION COMMISSION AND GOVERNMENT SERVICE INSURANCE SYSTEM (GSIS), RESPONDENTS.

G.R. No. L-42582. October 21, 1977

Ponente: MAKASIAR J.

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MAKASIAR J.:

Petition for review on certiorari of the December 24, 1975 decision of the Workmen's Compensation Commission, filed by petitioner in forma pauperis, which was subsequently treated by this Court as a special civil action.

Thereafter, both parties were required by this Court in its resolution of May 5, 1976 to file simultaneous memoranda within thirty (30) days from notice (p. 45, rec.). Respondent GSIS filed its memorandum on June 9, 1976 (pp. 51-56, rec.), while petitioner filed his on July 12, 1976 (pp. 59-66, rec.). On July 19, 1976, the Court declared the case submitted for decision (p. 68, rec.).

The records disclose that on March 26, 1975, petitioner filed his claim for compensation with the Workmen's Compensation Commission for coronary artery disease and PTB, indicating therein that the date of accident was January 4, 1973 and the place of the accident as "at the office."

On October 25, 1975, the acting referee, Pedro G. Buendia, rendered a decision ordering respondent GSIS to pay compensation benefits to claimant, herein petitioner, in the amount of six thousand (P6,000.00) pesos and to pay attorney's fees and administrative fees. The award was based on the following findings of the acting referee:

"On the allegation that his ailments medically known as coronary artery disease and PTB were caused and aggravated by the nature of his employment disabling him from labor in January, 1973 up to June 30, 1973, claimant herein now seeks to recover disability compensation benefits under the pertinent provisions of the Workmen's Compensation Act.

"Unsigned Employer's Report was duly submitted where controversion was registered on the ground that claimant's alleged illness was not causally related to his employment, hence, the disability of claimant is not compensable. The same report admitted that claimant is respondent's employee and that he was afflicted with coronary artery illness and PTB minimal. It was further admitted that respondent GSIS provided medical attention on April 4, 1973, when claimant was recommended for CVA leave and treatment for PTB.

"Issues being joined, the parties were directed to submit their position papers for and against the claim. Only the claimant complied. By such failure to submit its position paper, GSIS is now deemed to have waived its right to present its position paper. Likewise, by reason of its failure to submit said paper, claimant's allegation now stands un rebutted. Since the allegation of causal connection and its concurring disability were not duly rebutted by any contrary proof, the same therefore stands prima facie on the record as to the fact of such connection" (p. 27, rec.).

But on December 24, 1975, upon a motion for reconsideration filed on November 25, 1975 by

respondent-employer on the grounds that it filed a timely controversion, that claimant's illness is not compensable, and that the claim was not supported by substantial evidence, the respondent Commission reversed the decision of the acting referee and thereby absolved respondent-employer from compensation liability. Although affirming the basic factual foundation of the compensation claim and making further an express finding that the claim was not controverted by the respondent-employer, the Commission went on to reverse the order of award, thus:

"To support his claim, a xerox copy of the Medical Examiner's Report on Claim for Disability Benefits filed with the Government Service Insurance System was presented by the claimant. It should be noted that this report reflects the following findings: Heart – distant heart sounds; Lungs - no abnormal findings; Extremities - normal. According to the Evaluation Division to which this case was referred, the foregoing findings are not enough to disable the claimant. As such, he should not be awarded any disability compensation under the Act. He may have been entitled to disability benefit under the GSIS, however, the finding and grant of benefit by the System is not binding as far as a claim for compensation under the Act is concerned. Whereas the existence of illness is enough to claim disability benefit under the System, to be entitled to compensation under the Act, the claimant must prove disability for labor. As there is no showing to this effect the case must consequently fail.

"x x x" (pp. 29-30, rec.).

Hence, this present appeal.

The decision of the respondent Commission in reversing the order of award of the acting referee constitutes a grave abuse of discretion, the same being palpably contrary to law and the controlling jurisprudence on workmen's compensation cases and should be set aside.

Two outstanding facts are patent from the records.

The first one is that the illnesses supervened in the course of claimant's employment with respondent employer, it appearing that claimant was stricken with coronary artery disease during office hours at the GSIS office; and afterwards was also found to be suffering from PTB minimal. From that undisputed fact flows the rebuttable presumption that such illnesses arose out of, or were at least aggravated by, the nature of claimant's employment, and hence compensable. Consequently, the employer assumes the burden of proving the contrary by substantial evidence. That has been for a long time now the controlling and established jurisprudence. As there has been no evidence ever presented by the respondent-employer to discharge the above-stated burden, there can therefore be no occasion for the respondent Commission to go out of its way to absolve respondent-employer. For there is but only one course of action allowed under the facts and circumstances of the instant case -- to grant the compensation claim as was correctly done by the acting referee.

And secondly, the compensation claim of petitioner was not effectively controverted. This was expressly acknowledged by the respondent Commission in its decision of reversal (p. 29, rec.). It is now well-settled that the failure of the employer to validly and properly controvert a compensation claim entitles the claimant to an outright award; because by such failure to controvert the claim, the employer is deemed not only to have renounced its right to controvert the claim but also to plead and prove non-jurisdictional defenses. In the language of Justice Claudio Teehankee in the recent case of *Talip, et al. vs. Workmen's Compensation Commission, et al.* (71 SCRA 218 [1976]), this Court once more ruled that:

"Respondent's failure to validly controvert the claim as acknowledged by the commission, far from calling for reversal of the award for alleged non-compensability, called for the outright issuance of an award pursuant to the express mandate of section 45 of the Workmen's Compensation Act. As recently reiterated by the Court in *Dinaro vs. Workmen's Compensation Commission*,* a failure to controvert is a renunciation of the right to challenge the claim and a waiver of all non-jurisdictional defenses and there is nothing that the employer can

legally prove in relation thereto. Non-compensability as a defense was therefore waived and ruled out."

In the instant case, therefore, respondent-employer can no longer plead that claimant's illnesses did not disable him from work and therefore are not compensable, much less can the respondent Commission entertain and sustain said defense on the bare allegation to that effect by respondent-employer in its motion for reconsideration from the order of award made by the acting referee in favor of claimant. Certainly, that was a palpable error.

Finally, respondent Commission seriously erred in disregarding the undisputed (1) medical findings of the attending physician, Dr. Jorge Villanueva, who is the Medical Officer of respondent employer (GSIS), to the effect that claimant's length of disability is indefinite and the degree of disability is total and permanent (p. 46, WCC rec.); (2) findings of the respondent-employer's (GSIS) own medical director, Dr. Armando C. Gonzales, who advised claimant to go on leave of absence because the same was necessary for his complete recovery from his illnesses; and (3) findings and recommendations of the respondent Commission Rating Medical Officer that claimant was disabled from labor from January 3, 1973 to June 30, 1973 (p. 27, rec.; p. 27, WCC rec.). Instead, the respondent Commission, without justification, relied on the alleged finding of the Evaluation Division of the Workmen's Compensation Commission that the finding of the medical examiner was not enough to disable claimant, herein petitioner, from labor when there is no showing nor evidence on record that the said Evaluation Division conducted the corresponding physical and medical examination on the claimant, which is necessary and indispensable to its function of evaluating the extent of claimant's disability. Worse, the record does not contain said alleged evaluation made by the Evaluation Division.

It is sad to note that this is another case where the Commission again failed to exhibit unfettered fealty to the all-too-humane, all-too-compassionate mandate of the fundamental charter, which failure constitutes apostasy to the social justice guarantee of the Constitution.

WHEREFORE, THE DECISION DATED DECEMBER 24, 1975 OF THE RESPONDENT WORKMEN'S COMPENSATION COMMISSION IS HEREBY SET ASIDE AND RESPONDENT GOVERNMENT SERVICE INSURANCE SYSTEM IS HEREBY ORDERED

1. TO PAY THE CLAIMANT THE SUM OF SIX THOUSAND (P6,000.00) PESOS AS DISABILITY BENEFITS;
2. TO REIMBURSE CLAIMANT ARNULFO LOPEZ HIS EXPENSES FOR MEDICAL AND HOSPITAL SERVICES, SUPPORTED BY PROPER RECEIPTS;
3. TO PAY CLAIMANT'S COUNSEL THE SUM OF SIX HUNDRED (P600.00) PESOS AS ATTORNEY'S FEES; AND
4. TO PAY THE WORKMEN'S COMPENSATION COMMISSION THE AMOUNT OF SIXTY-ONE (P61.00) PESOS AS ADMINISTRATIVE FEES.

SO ORDERED.

Teehankee, (Chairman), Muñoz Palma, Martin, Fernandez, and Guerrero, JJ., concur.

*** 70 SCRA 292 (1976).**

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