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

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

Ponente: YNARES-SANTIAGO, J.

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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.
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> [Respondent's] job description showed that he was responsible for the following:
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> - Analyzes effectiveness of system and procedures to determine reliability and integrity of financial, administrative, engineering and operational transactions;
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> - Analyzes and evaluates implementation and compliance of RCs, PDS and service agents to PPA policies, rules and regulations;
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> - 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;
>
> - 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;
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> - Recommends to management action to be taken to improve performance of PPA RCs and services agencies;
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> - Conducts researches on issuances and publications related to assigned areas;
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> - Performs other related functions.
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> 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.
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> 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.
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> 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.
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> 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.
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> 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 thalaminc; Hypertensive Cardiovascular Disease, not in failure; Diabetes Mellitus, type II.
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> 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

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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 that he is no longer afflicted with the disease.[19]

Respondent, on the other hand, argues that hypertension, pneumonia and pulmonary tuberculosis are not caused by diabetes mellitus alone but also by other environmental and occupational factors.[20] He alleges that his work entailed a lot of analysis, appraisals, review, audit and research which may have caused him to suffer cerebrovascular accident and pneumonia.[21]

The issue before us is whether respondent's hypertension, pneumonia or pulmonary tuberculosis is compensable under the Employees' Compensation Act.

We affirm the Court of Appeals ruling with modification.

Section 1 (b), Rule III of the Rules Implementing PD No. 626, as amended, states that for the sickness and the resulting disability or death to be compensable, the same must be the result of an occupational disease listed under Annex "A" with the conditions set therein satisfied; otherwise, proof must be shown that the risk of contracting the disease is increased by the working conditions.

We find that respondent's hypertension is a complication of his primary ailment which is diabetes mellitus, a non-occupational disease, hence not compensable. As explained by the Court of Appeals:

> In 1986, [respondent] was found to have been suffering from Diabetes Mellitus, a Non-Insulin Dependent type (NIDDM) which renders patients suffering from this sickness insulin resistant. Insulin resistance is common in patients with NIDDM and the same has been suggested as being responsible for the increased arterial pressure sufficient to cause hypertension. Diabetes mellitus can also trigger an increased incidence of large vessel atherosclerosis or arteriosclerosis and myocardial infarction in patients with insulin and non-insulin dependent diabetes mellitus. These are some of the contributory factors that can cause a coronary artery disease which is the commonly cause of death in adult patients with diabetes mellitus. Diabetic patients suffer abnormalities in blood circulation. The sickness can cause an impairment in the reverse cholesterol transport out of the arteries and this can cause clogging of one or several coronary arteries in the heart. The disease is characterized as procoagulant and the failure to deliver sufficient blood supply to the heart because of the narrowing or clogging of one of the main coronary arteries automatically cuts off the distribution of oxygen and nourishment to the heart area it serves. This would result to myocardial infarction and eventually to hypertension. x x x.[22]
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> x x x x
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> x x x [D]iabetes mellitus, especially the NIDDM-type, is acquired through the mechanism of inheritance. It is an endocrine and familial disease characterized by metabolic abnormalities remotely caused by environmental and occupational conditions. x x x.[23]

As regards pneumonia[24] and pulmonary tuberculosis,[25] both are listed in Annex "A" of the Amended Rules

on Employees' Compensation as occupational diseases and are deemed compensable. As found by the appellate court, the possible cause of these diseases may be environmental or occupational depending on the level of sanitation of the surroundings and the health condition of the persons he mingles with. While diabetic persons are prone to various infections, it is also equally true that one's susceptibility to these maladies is increased by the occupational and environmental exposure to the pathogens, not to mention fatigue and mental and emotional strain that affects the physical condition of a person.

Respondent's work entailed that he be stationed in the Port of Manila and the South Harbor, areas whose sanitation and overall environmental condition are suspect. Moreover, respondent's duties required that he mingle with numerous persons who may have been carriers of the disease-causing virus. The nature of his job demanded long working hours to maintain the efficient and systematic release of outgoing vessels and the reception of incoming vessels.

The degree of proof required under P.D. No. 626 is merely substantial evidence, which means, "such relevant evidence as a reasonable mind might accept as adequate to support a conclusion." What the law requires is a reasonable work-connection and not a direct causal relation. It is enough that the hypothesis on which the workmen's claim is based is probable. Medical opinion to the contrary can be disregarded especially where there is some basis in the facts for inferring a work-connection. Probability, not certainty, is the touchstone.[26] While claimant must adduce substantial evidence that the risk of contracting the illness is increased by the working conditions to which an employee is exposed to, we cannot close our eyes to any reasonable work-related connection of the worker's ailment and his employment.[27] Any doubt on this matter has to be interpreted in favor of the employee, considering that P.D. No. 626 is a social legislation.[28]

P.D. No. 626, as amended, is said to have abandoned the presumption of compensability and the theory of aggravation prevalent under the Workmen's Compensation Act. Despite such abandonment, however, the present law has not ceased to be an employees' compensation law or a social legislation; hence, the liberality of the law in favor of the working man and woman still prevails, and the official agency charged by law to implement the constitutional guarantee of social justice should adopt a liberal attitude in favor of the employee in deciding claims for compensability, especially in light of the compassionate policy towards labor which the 1987 Constitution vivifies and enhances.[29]

WHEREFORE, the July 7, 2005 Decision of the Court of Appeals in CA-G.R. SP No. 78511 is AFFIRMED with the MODIFICATION that respondent Jaime A. Valenciano's hypertension is held to be directly connected to his primary ailment, diabetes mellitus, and therefore non-compensable. However, Jaime A. Valenciano is DECLARED entitled to claim for benefits for his compensable diseases, namely pneumonia and pulmonary tuberculosis. The Government Service Insurance System is DIRECTED to pay respondent's claim under the Employees' Compensation Act.

SO ORDERED.

Panganiban, C.J., (Chairperson), Austria-Martinez, Callejo, Sr., and Chico-Nazario, JJ., concur.

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[1] Rollo, pp. 14-43.

[2] Id. at 44-60. Penned by Associate Justice Salvador J. Valdez, Jr. and concurred in by Associate Justices Mariano C. Del Castillo and Magdangal M. De Leon.

[3] Id. at 62-68.

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[4] Id. at 62-64.

[5] Id. at 64.

[6] Id. at 68.

[7] Id. at 65.

[8] Id.

[9] Id. at 66.

[10] Id. at 52.

[11] Id. at 54.

[12] Id. at 56.

[13] Id.

[14] Id. at 57.

[15] Id.

[16] Id. at 58.

[17] Id. at 30-32.

[18] Id. at 32.

[19] Id. at 29.

[20] Id. at 83-84.

[21] Id. at 84.

[22] Id. at 52-53.

[23] Id. at 55.

[24] Annex "A," Amended Rules on Employees' Compensation, par. 21.

[25] Id., par. 27.

[26] Salalima v. Employees' Compensation Commission, G.R. No. 146360, May 20, 2004, 428 SCRA 715, 722-723.

[27] Jacang v. Employees' Compensation Commission, G.R. No. 151893, October 20, 2005,

[28] Id.

[29] Salalima v. Employees' Compensation Commission, supra at 723.

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