

GOVERNMENT SERVICE INSURANCE SYSTEM, PETITIONER, VS. FELOMINO S. CASCO, RESPONDENT.

G.R. No. 173430. July 28, 2008

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TINGA, J.:

The Government Service Insurance System (GSIS) assails the Decision[1] of the Court of Appeals dated 29 April 2005, which reversed the Decision[2] of the Employees' Compensation Commission (ECC) denying Felomino Casco's request for conversion of his permanent partial disability (PPD) benefits to permanent total disability (PTD) benefits under Presidential Decree No. 626 (P.D. No. 626), as amended.

The following facts, culled from the assailed decision, are undisputed:

Felomino Casco, petitioner herein, was employed as a teacher of the Department of Education, Culture and Sports (DECS). He joined the government service on August 14, 1978 on a provisional status and was assigned at the Quezon City Division. On July 1, 1989, he was promoted to Teacher I. On January 1, 1994, he was assigned at DECS-Mandaluyong. In 1998- up to 1999, he was assigned at the Mandaluyong East High School wherein he taught Filipino.

As a Filipino teacher, Casco was required to regularly perform the following tasks:

- Teach Filipino III as a subject in the secondary school curriculum.
- Attend professional meetings conducted in the school and some seminars in the division level.
- Develop desirable values among his students.
- Submit the required reports/records to the department chairman/office as the case may be.
- Prepare lesson plans.
- Participate in school and community programs and render allied services.

Sometime in 1994, Casco was diagnosed to be hypertensive. On December 7, 1995, he was admitted at the Philippine General Hospital where he was diagnosed of CVA, Right Middle Cerebral Artery, Thrombotic. On October 14, 1999, he suffered another attack and was confined at the Our Lady of Lourdes Hospital. This forced him to retire from the government service at an early age.

Casco then applied for disability benefits under Presidential Decree No. 626, as amended. On October 14, 1999, the Government Service Insurance System (GSIS) granted him thirty-eight (38) months of permanent partial disability (PPDI).

On December 10, 2000 up to December 19, 2000, Casco was again confined at the Potenciano Hospital due to his ailments. His confinement within the specified period was likewise paid by the System.

Casco's latest physical examination reveals that he still experiences chest pain, which is pricking, in character, limping accompanied by lapse of memory and vertigo. Thus, he requested the System to convert his permanent partial disability to permanent total disability (PTD) pursuant to P.D. 626, as amended, but the same was

denied.

Dissatisfied, Casco appealed before the Employees' Compensation Commission.

On March 26, 2003, the ECC rendered a decision affirming the decision of the System. The pertinent portion of the said decision is hereby quoted as follows:

x x x

However, as regard his request for conversion of his PPD benefits into PTD benefits, we are not inclined to give merit to his claim. The result of his latest physical examination does not warrant grant of PTD benefits as required under the law. His examination failed to show that he suffers from motor or sensory deficit. Neither was it shown that he experienced permanent complete paralysis of two limbs nor incurable imbecility and insanity as a result of his ailments.

Premises considered, the prayer for compensation benefits under PD 626, as amended, is hereby DENIED.

SO ORDERED.

Respondent appealed the ECC decision to the Court of Appeals, which resolved the case in his favor. The appellate court ordered the GSIS to grant respondent full disability benefits as provided under P.D. No. 626, as amended.

In a Resolution[3] dated 4 July 2006, the Court of Appeals denied GSIS's motion for reconsideration.

In the Petition for Review on Certiorari[4] dated 9 August 2006, GSIS defends its position that respondent failed to adduce proof that his ailment is categorized as a PTD under the law or that it is attributable to his former occupation. According to GSIS, respondent's physical condition at the time of his retirement was not of such nature as to satisfy the criteria for a PTD.

Respondent, in his Comment[5] dated 30 November 2006, insists that he is entitled to PTD benefits because his illness, which developed during his employment, persisted even after his retirement and rendered him incapable of continuing his employment.

GSIS's Reply[6] dated 19 April 2007 merely reiterates its arguments.

The only issue to be resolved is whether respondent's claim for conversion of his PPD benefits to PTD benefits should be granted.

We shall preface our ruling by repeating the Court's pronouncement in *Austria v. Court of Appeals*[7] that there is nothing in the law which prohibits the conversion of PPD benefit to PTD benefit if it is shown that the employee's ailment qualifies as such. The grant of PTD benefit to an employee who was initially compensated for PPD but is found to be suffering from PTD would not be prejudicial to the government to give it reason to deny the claim. The Court has in fact allowed in the past the conversion of PPD benefit to PTD benefit. These rulings are consistent with the primary purpose of P.D. No. 626, that is, to provide meaningful protection to the working class against the hazards of disability, illness and other contingencies resulting in loss of income, as well as the Constitutional mandate to afford full protection to labor.[8]

There are three types of disability benefits granted under P.D. No. 626: (1) temporary total disability; (2) permanent total disability; and (3) permanent partial disability. A disability is considered total and permanent if as a result of the injury or sickness, the employee is unable to perform any gainful occupation for a continuous period exceeding 120 days. A disability is partial and permanent if, as a result of the injury or sickness, the employee suffers a permanent partial loss of the use of any part of his body.[9]

In *GSIS v. Court of Appeals*[10] and *Gonzaga v. ECC, et al.*,[11] the Court declared that disability should be understood not singly through its medical significance but, more importantly, in terms of a person's loss of earning capacity. Permanent total disability means disablement of an employee to earn wages in the same kind of work, or work of a similar nature that he was trained for or accustomed to perform, or any kind of work which a person of his mentality and attainment could do.[12] It does not mean absolute helplessness but rather an incapacity to perform gainful work which is expected to be permanent. Total disability does not require that the employee be absolutely disabled, or totally paralyzed. What is necessary is that the injury must be such that he cannot pursue his usual work and earn therefrom.

In this case, respondent was diagnosed to be hypertensive as a result of the physical and mental stress of his work. His hypertension resulted in two cerebrovascular accidents, the clinical term for stroke, first in 1995 and again in 1999.[13] As certified by his attending physician, Dr. Fernando F. Piedad, the degree of his disability is permanent and total.[14] While it may be true that respondent's physical condition at the time of his retirement was not considered as a PTD, his condition subsequently worsened such that in December 2000, he was again confined in a hospital. Respondent also limps and continues to experience chest pain, vertigo and lapses in memory.

A person's disability might not emerge at one precise moment in time but rather over a period of time. It is possible that an injury which at first was considered to be temporary may later on become permanent, or one who suffers a partial disability becomes totally and permanently disabled by reason of the same cause.[15] Thus, while respondent had been awarded 38 months of PPD benefits commensurate to his physical condition at the time of his retirement, this does not preclude the conversion of the benefits to which he is entitled as a result of the fact that he later on became permanently and totally disabled. When an employee is constrained to retire at an early age due to his illness and the illness persists even after retirement, resulting in his continued unemployment, as in this case, such a condition amounts to total disability which should entitle him to the maximum benefits allowed by law.[16]

Indeed, denying respondent, who had rendered more than 21 years of service[17] but was forced to retire due to his ailment, the PTD benefits to which he is indisputably entitled would be contrary to the spirit of P.D. No. 626 and the social justice principle enshrined in our Constitution.

WHEREFORE, the instant petition is hereby DENIED for lack of merit. The assailed Decision of the Court of Appeals dated 29 April 2005, and its Resolution dated 4 July 2006, are AFFIRMED. No pronouncement as to costs.

SO ORDERED.

Quisumbing, (Chairperson), Carpio Morales, Velasco, Jr., and Brion, JJ., concur.

[1] Rollo, pp. 39-44; Penned by Associate Justice Elvi John S. Asuncion and concurred in by Associate Justices Hakim S. Abdulwahid and Estela M. Perlas-Bernabe.

[2]Id. at 47-50.

[3]Id. at 45.

[4]Id. at 14-38.

[5] Id. at 62-70.

[6] Id. at 80-95.

[7] 435 Phil. 926 (2002).

[8] Id. at 932-933.

[9] Id. at 931.

[10] 328 Phil. 1240 (1996).

[11] 212 Phil. 405 (1984).

[12] 328 Phil. 1240, 1246 (1996)

[13] CA rollo, , p. 30; Decision of the ECC dated March 26, 2003.

[14] Id. at 36.

[15] GSIS v. Court of Appeals, *supra* note 8. See also GSIS v. Court of Appeals, 349 Phil. 357, 363 (1998).

[16] GSIS v. CA, 328 Phil. 1240, 1247-1248 (1996).

[17] CA rollo, p. 20; From 14 August 1978 to 14 October 1999.

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