

PHILIPPINE HEALTH INSURANCE CORPORATION, PETITIONER, VS. THE COURT OF APPEALS AND CHINESE GENERAL HOSPITAL AND MEDICAL CENTER, RESPONDENTS.

G.R. No. 176276. November 28, 2008

Ponente: NACHURA, J.

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NACHURA, J.:

The Philippine Health Insurance Corporation (Philhealth) filed this Petition for Certiorari seeking to nullify the October 13, 2006[1] and November 26, 2006[2] Resolutions of the Court of Appeals (CA) in CA-G.R. SP No. 59294.

The antecedents.

Respondent Chinese General Hospital and Medical Center (CGHMC) had been an accredited health care provider under the Philippine Medical Care Commission (Medicare). CGHMC filed Medicare claims with the Social Security System (SSS) for the medical services it rendered from 1989-1992 amounting to P8,102,782.10.

On February 14, 1995, Republic Act No. 7875, otherwise known as An Act Instituting a National Health Insurance Program for All Filipinos and Establishing the Philippine Health Insurance Corporation for That Purpose, was enacted; thus, all pending applications for Medicare claims, including those of CGHMC, were transferred to petitioner Philhealth. Instead of giving due course to CGHMC's claim amounting to P8,102,782.10, Philhealth only paid P1,365,556.32 for the 1989-1992 claim.

CGHMC again filed claims for medical services with the Claims Review Unit of Philhealth, this time covering the period 1998-1999, amounting to P7,554,342.93, but they were denied on January 14, 2000, for they were filed beyond the sixty (60)-day period allowed by the implementing rules and regulations. Philhealth denied CGHMC's claims with finality on June 6, 2000.

CGHMC forthwith filed a petition for review with the CA, docketed as CA-G.R. SP No. 59294. On March 29, 2004, the CA granted the petition and ordered Philhealth to pay the claims in the amount of P14,291,568.71. The decretal portion of the CA decision reads:

FOR THE FOREGOING DISQUISITIONS, the petition is GRANTED, the Philippine Health Insurance Corporation is hereby ordered to give to [respondent's], Chinese General Hospital and Medical Center, claims for the period from 1989 to 1992, and from 1998 to 1999, amounting to FOURTEEN MILLION TWO HUNDRED NINETY-ONE THOUSAND FIVE HUNDRED SIXTY-EIGHT PESOS and 71/100 PESOS (P14,291,568.71). No pronouncement as to costs.

SO ORDERED.[3]

The above decision was affirmed by this Court on April 15, 2005 in G.R. No. 163123. Philhealth moved for reconsideration of the Decision, but this Court denied the same on July 11, 2005.

To satisfy the judgment, CGHMC filed a Motion for Execution of the decision with the CA, which was granted in its July 12, 2006 Resolution, viz.:

WHEREFORE, the motion for execution is hereby GRANTED. [Philhealth] is hereby ordered to pay [CGHMC's] claims for the period from 1989 to 1992, and from 1998-1999, amounting to FOURTEEN MILLION TWO HUNDRED NINETY-ONE THOUSAND FIVE HUNDRED SIXTY-EIGHT PESOS and 71/100 (P14,291,568.71), upon the latter's submission of the pertinent documents necessary for the processing of the payments.

SO ORDERED.[4]

CGHMC moved for partial reconsideration of the CA Resolution arguing that this Court's Decision in G.R. No. 163123 did not impose any condition for entitlement to payment from Philhealth.

On October 13, 2006, the CA granted CGHMC's motion for partial reconsideration, viz.:

ACCORDINGLY, the decretal portion of our Resolution dated July 12, 2006 is hereby MODIFIED to read as follows:

WHEREFORE, the motion for execution is hereby GRANTED. [Philhealth] is hereby ordered to pay [CGHMC's] claim for the period from 1989 to 1992, and from 1998-1999, amounting to FOURTEEN MILLION TWO HUNDRED NINETY-ONE THOUSAND FIVE HUNDRED SIXTY-EIGHT PESOS and 71/100 (P14,291,568.71)

SO ORDERED.

SO ORDERED.[5]

Petitioner moved for the reconsideration of the CA Resolution, but the same was denied on November 27, 2006.

Hence, this petition for certiorari.

Philhealth vehemently ascribes legal error and grave abuse to the CA for ordering payment of claims for 1998-1999 or the determined amount of P14,291,568.71. It stresses that the dispositive portion of this Court's Decision in G.R. No. 163123 did not order the payment of claims from 1998-1999. By issuing the assailed Resolutions, the CA, in effect, modified a final and executory judgment. Petitioner submits that under the doctrine of finality of judgment, as pronounced by this Court in several cases, a final and executory decision can no longer be amended or corrected. Hence, it was a grave error of law on the part of the appellate court to sustain CGHMC's posture.

The petition lacks merit.

Admittedly, the dispositive portion of this Court's Decision in G.R. No. 163123 omitted the claims for 1998-1999. The decretal portion of the Decision reads:

WHEREFORE, the assailed decision of the Court of Appeals is hereby AFFIRMED. Petitioner is hereby ordered to pay respondent's claims representing services rendered to its members from 1989 to 1992.

No costs.

SO ORDERED.[6]

The omission to explicitly order the payment of services rendered from 1998-1999 in the dispositive portion of this Court's Decision does not perforce mean that the services rendered by CGHMC from 1998-1999 would not be paid.

We note that among the claims which Philhealth must settle with CGHMC are those that cover the period 1989-1992 and 1998-1999 with an aggregate amount of P14,291,568.78. In fact, the CA decision in CA-G.R. SP No. 59294, which was affirmed by this Court in G.R. No. 163123, clearly states that Philhealth is liable to pay CGHMC's claims from 1989-1992 and 1998-1999 amounting to P14,291,568.78.

As aptly found by the CA in its Resolution dated July 12, 2006:

The exclusion or deletion of the period "from 1998-1999" in the dispositive portion is obviously a typographical error. This is evidenced by the fact that when the Supreme Court quoted the fallo or dispositive portion of the Court of Appeals in the beginning of the decision, it already omitted "and from 1998-1999." Besides, we see no logic or reason why the claims for the period from 1998-1999 should be deleted or excluded.

Undeniably, thus, the Supreme Court's decision covers both the period 1989-1992 and from 1998-1999.[7]

The established doctrine is that when the dispositive portion of a judgment, which has become final and executory, contains a clerical error or an ambiguity arising from an inadvertent omission, such error or ambiguity may be clarified by reference to the body of the decision itself.[8]

In *Insular Life Assurance Company, Ltd. v. Toyota Bel Air*,[9] the Court held:

Indeed, to grasp and delve into the true intent and meaning of the decision, no specific portion thereof should be resorted to - the decision must be considered in its entirety. The Court may resort to the pleadings of the parties, its findings of facts and conclusions of law as expressed in the body of the decision to clarify any ambiguities caused by any inadvertent omission or mistake in the dispositive portion.

The CA, therefore, rightly resorted to the body of the Court Decision in G.R. No. 163123.

In *Locsin, et al. v. Paredes*,[10] this Court allowed a judgment which had become final and executory to be clarified by supplying a word which had been inadvertently omitted and which, when supplied, in effect changed the literal import of the original phraseology:

[I]t clearly appears from the allegations of the complaint, the promissory note reproduced therein and made a part thereof, the prayer and the conclusions of fact and of law contained in the decision of the respondent judge, that the obligation contracted by the petitioners is joint and several and that the parties as well as the trial judge so understood it. Under the juridical rule that the judgment should be in accordance with the allegations, the evidence and the conclusions of fact and law, the dispositive part of the judgment under consideration should have ordered that the debt be paid severally, and in omitting the word or adverb "severally" inadvertently, said judgment became ambiguous. This ambiguity may be clarified at any time after the decision is rendered and even after it had become final (34 Corpus Juris, 235, 326). The respondent judge did not, therefore, exceed his jurisdiction in clarifying the dispositive part of the judgment by supplying the omission.[11]

Accordingly, the modification of the Resolution granting the writ of execution to include the 1998-1999 claims cannot be considered as amendment or alteration of this Court's Decision in G.R. No. 163123.

Similarly, the condition that CGHMC must submit documents to support its claims is nowhere to be found in the decision of the CA and also in the final and executory decision of this Court. If that were the intention of the CA and of this Court, as contended by Philhealth, it would have said so in black and white. The deletion of such condition from the dispositive portion of the CA Resolution can hardly be considered grave abuse of discretion.

The term grave abuse of discretion, in its juridical sense, connotes capricious, despotic, oppressive or whimsical exercise of judgment as is equivalent to lack of jurisdiction. The abuse must be of such degree as to amount to an

evasion of positive duty or a virtual refusal to perform a duty enjoined by law, as where the power is exercised in an arbitrary and capricious manner by reason of passion and hostility. The word capricious, usually used in tandem with the term arbitrary, conveys the notion of willful and unreasoning action. Thus, when seeking the corrective hand of certiorari, a clear showing of caprice and arbitrariness in the exercise of discretion is imperative.[12] In this case, Philhealth utterly failed to demonstrate caprice or arbitrariness on the part of the CA.

Execution of a judgment is the fruit and end of the suit, and is the life of the law. To frustrate it for several years by means of deception and dilatory schemes on the part of the losing litigants is to frustrate all the efforts, time and expenditure of the courts.[13] The Court's Decision in this case became final and executory as early as 2005. After years of continuous wrangling during the execution stage, it is unfortunate that the judgment still awaits full implementation. Delaying tactics employed by the losing litigant have prevented orderly execution. It is in the interest of justice that we write *finis* to this litigation.[14]

WHEREFORE, the petition is DISMISSED. The assailed Resolutions of the Court of Appeals in CA-G.R. SP. No. 59294 are AFFIRMED.

SO ORDERED.

Ynares-Santiago, (Chairperson), Austria-Martinez, Chico-Nazario, and Reyes, JJ., concur.

[1] Penned by Associate Justice Renato C. Dacudao, with Associate Justices Rosmari D. Carandang and Monina Arevalo Zenarosa, concurring; rollo, 24-27.

[2] *Id.* at 30-31.

[3] Rollo, p. 46.

[4] *Id.* at 95.

[5] *Id.* at 26.

[6] *Id.* at 66-67.

[7] *Id.* at 94-95.

[8] *Castelo v. Court of Appeals*, 314 Phil. 1 (1995).

[9] G.R. No. 137884, March 28, 2008, 550 SCRA 70, 86.

[10] 63 Phil. 87 (1963).

[11] *Supra*.

[12] *Torres v. Abundo*, G.R. No. 174263, January 24, 2007, 512 SCRA 556.

[13] *Ramnani v. Court of Appeals*, G.R. Nos. 85494, 85496 & 195071, July 10, 2001, 360 SCRA 645.

[14] *Ramnani v. Court of Appeals*, 413 Phil. 194, 199 (2001).

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