

MA. LOURDES VILLANUEVA, PETITIONER, VS. COURT OF APPEALS AND BLUE CROSS INSURANCE, INC., RESPONDENTS.

G.R. No. 99357. January 27, 1992

Ponente: REGALADO, J.

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REGALADO, J.:

This petition for review on certiorari seeks the nullification of the resolution of respondent Court of Appeals dated May 8, 1991, reconsidering its preceding resolution of March 15, 1991, in CA-G.R. SP No. 24120, entitled "Ma. Lourdes R. Villanueva vs. Blue Cross Insurance, Inc."

Petitioner's plaint in her present recourse narrates that on October 12, 1989, she filed a complaint with the Insurance Commission alleging, inter alia, that, in consideration of the annual payment of P7,535.00, private respondent executed a policy of sickness and accident insurance; that on August 12, 1989, petitioner was admitted to a hospital where she was diagnosed and operated on for cholecystitis; that petitioner paid the hospital and doctor's bills in the aggregate sum of P48,934.05, the same being the actual hospital and professional fees charged to her; and that private respondent wrongfully refused to pay petitioner the said amount which she is entitled to recover under the policy.

Private respondent's answer raised the special and affirmative defenses that under the insurance policy, definitions and exclusions were clearly specified and among the exclusions are conditions which pre-existed before the effective date of the insurance of which the insured was aware or should reasonably be aware; and that cholecystitis was a pre-existing condition, hence petitioner's sickness is non-compensable.

On September 21, 1990, the Insurance Commission rendered its decision in I.C. Case No. 3277 in favor of petitioner ordering private respondent to pay the latter the amount of P48,934.05 with legal interest from the date of the filing of the complaint until fully satisfied, plus P5,000.00 attorney's fees and costs. In the main, the Insurance Commission, after a review of the evidence presented, concluded that petitioner's illness, contrary to private respondent's defenses, was not a pre-existing disease and, therefore, is fully compensable.[1]

According to respondent court, a copy of said decision was received by private respondent on September 27, 1990. On October 15, 1990, or more than the fifteen (15) days allowed by Section 2, Republic Act No. 5434, private respondent filed a motion for reconsideration which petitioner opposed. On December 13, 1990, the Insurance Commission denied said motion for reconsideration.[2] On December 17, 1990, private respondent filed a notice of appeal with the Insurance Commission.[3]

On March 15, 1991, the Third Division of respondent Court of Appeals dismissed the appeal on the ground that it was filed out of time and that private respondent did not duly file a copy of its notice of appeal with respondent Court as mandated by Republic Act No. 5434.[4]

Respondent court noted that under the aforesaid Section 2 of Republic Act No. 5434, private respondent had ten (10) days from its receipt on December 14, 1990 of the aforesaid order denying its motion for reconsideration

within which to appeal. While respondent court, in its resolution of May 8, 1991, subsequently agreed that private respondent filed its notice of appeal with the Insurance Commission within the said 10 day period, no such notice was filed with respondent court as required by Section 3, Republic Act No. 5434.

Private respondent then moved for the reconsideration of the dismissal of its appeal. On May 8, 1991, the Special Third Division of respondent court resolved to reconsider its original resolution and ordered the reinstatement of the appeal "in keeping with the ends of substantial justice." [5]

Hence, the petition at bar with the following assignment of errors:

- The respondent court committed an error in reinstating the appeal when it has no jurisdiction to do so, no notice of appeal having been filed with it.
- The manner of appeal from quasi-judicial bodies has been fixed with the solemnity of a statute; the Court of Appeals erred in ignoring it. [6]

We agree with petitioner that the Court of Appeals erred in reconsidering its previous resolution dismissing herein private respondent's appeal in CA-G.R. SP No. 24120. The dismissal of said appeal is proper and fully justified by private respondent's failure to file a notice of appeal with the Court of Appeals as required by Republic Act No. 5434 for the perfection of its appeal from the decision of the Insurance Commission.

The Court of Appeals has been vested with exclusive appellate jurisdiction over all final judgments, decisions, resolutions, orders or awards of quasi-judicial agencies, instrumentalities, boards or commissions, except those falling within the exclusive appellate jurisdiction of the Supreme Court. During the period relevant to and involved in the appeal from the Insurance Commission to respondent court in CA-G.R. SP No. 24120, subject of the present review, the appeal to the Court of Appeals from said quasi-judicial body was governed by the provisions of Republic Act No. 5434 insofar as the same are not inconsistent with the provisions of Batas Pambansa Blg. 129. [7]

As restated and clarified in the Lacsamana case, to perfect an appeal under Republic Act No. 5434, the following rules must be observed:

"In an appeal from quasi-judicial bodies to the Court of Appeals under Republic Act No. 5434 and Section 22(c) of the Interim Rules, the appeal shall be taken by filing a notice of appeal with the Court of Appeals and with the quasi-judicial body within fifteen days from notice of the ruling, award, order, decision or judgment; or in case a motion for reconsideration is filed within said period, then within ten days from notice of the resolution denying the motion for reconsideration (Sections 2 and 3 of R.A. No. 5434). No extension of time to file such a notice of appeal is needed, much less allowed." [8]

It is, therefore, indubitable that to perfect an appeal, notice must be filed both with the Court of Appeals and with the board, commission or agency that made or rendered the ruling, award, order, decision or judgment appealed from. In the instant case, even assuming that a notice of appeal was seasonably filed with the Insurance Commission, no such notice of appeal was filed with the Court of Appeals. The said failure of petitioner to comply with the requirements of law for the perfection of its appeal is fatal to its present remedial attempt. It renders the decision of the Insurance Commission final and executory and the same can no longer be a subject of review. [9]

This Court has invariably ruled that perfection of an appeal in the manner and within the period laid down by law is not only mandatory but also jurisdictional. [10] The failure to perfect an appeal as required by the rules has the effect of defeating the right of appeal of a party and precluding the appellate court from acquiring jurisdiction over the case. [11]

The right to appeal is not a natural right nor a part of due process; it is merely a statutory privilege, and may be exercised only in the manner and in accordance with the provisions of the law.[12] The party who seeks to avail of the same must comply with the requirements of the rules. Failing to do so, the right to appeal is lost.[13]

It is true that in some cases the filing of an appeal was allowed where a stringent application of the rules would have denied it, but only when it would serve the demands of substantial justice and in the exercise of the court's equity jurisdiction.[14] In the case at bar, however, the interests of justice would not be served by a policy of liberality, nor has the private respondent advanced any compelling reason to warrant the same. In fact, in its original resolution,[15] respondent court itself expounded at length on the very same doctrines enjoining strict compliance with the rules governing appeals which we have set out herein and, on such considerations, dismissed the appeal therein.

Moreover, relaxation of the rules is not called for since the issues raised are mainly factual. The decision of the Insurance Commission was based on its findings that the illness of private respondent, cholecystitis, was not a pre-existing ailment and is, therefore, fully compensable. It further specifically found that private respondent failed to prove petitioner's awareness of that pre-existing condition which is excluded under the insurance policy. We find no reason to disturb the said findings which are supported by the evidence on record and the conclusions of experts.

Settled is the that factual findings of administrative agencies are accorded not only respect but finality, because of the special knowledge and expertise gained by these quasi-judicial tribunals from handling specific matters falling under their jurisdiction.[16] Courts cannot take cognizance of such factual issues.[17] In reviewing administrative decisions, the reviewing court cannot re-examine the sufficiency of the evidence. The findings of fact must be respected, so long as they are supported by substantial evidence.[18]

It has long been recognized that strict compliance with the Rules of Court is indispensable for the prevention of needless delays and for the orderly and expeditious dispatch of judicial business.[19] For a party to seek exception for its failure to comply strictly with the statutory requirements for perfecting its appeal, strong compelling reasons such as serving the ends of justice and preventing a grave miscarriage thereof must be shown, in order to warrant the Court's suspension of the rules.[20] Otherwise, the rules must strictly apply, as in this case.

WHEREFORE, the petition is granted. The challenged resolution of respondent court dated May 8, 1991 is hereby ANNULLED and SET ASIDE and its resolution of March 15, 1991 is REINSTATED. The decision of the Insurance Commission in I.C. Case No. 3277, dated September 21, 1990, is hereby declared FINAL and EXECUTORY.

SO ORDERED.

Melencio-Herrera, (Chairman), Paras, Padilla, and Nocon, JJ., concur.

[1] Original Record, 374-377.

[2] Ibid., 400.

[3] Ibid., 401.

[4] Rollo, 20-21. The resolution of dismissal was penned by Justice Luis L. Victor, with the concurrence of Justices Santiago M. Kapunan and Segundino G. Chua.

[5] Ibid., 24-25. The second resolution was likewise penned by Justice Victor but with the concurrence of Justices

Santiago Kapunan and Fortunato A. Vailoces.

[6] *Ibid.*, 6.

[7] Sec. 9, B.P. Blg. 129; Pars. 16 and 22(c), Interim and Transitional Rules and Guidelines.

[8] *Lacsamana, et al. vs. Second Special Cases Division of the Intermediate Appellate Court, et al.*, 143 SCRA 643 (1986).

[9] *Quiqui, et al. vs. Boncaros, etc., et al.*, 151 SCRA 416 (1987); *Medina, Sr. vs. Court of Appeals, et al.*, 181 SCRA 837 (1990).

[10] *Reyes vs. Carrasco*, 38 SCRA 296 (1971); *Republic, et al. vs. Reyes, etc., et al.*, 71 SCRA 450 (1976); *Borre, et al. vs. Court of Appeals, et al.*, 158 SCRA 560 (1988).

[11] *Martha Lumber Mill, Inc. vs. Lagradante, et al.*, 99 Phil. 434 (1956); *Pabores vs. Workmen's Compensation Commission, et al.*, 104 Phil. 505 (1958); *A. L. Ammen Transportation, Co., Inc. vs. Workmen's Compensation Commission, et al.*, 12 SCRA 508 (1964).

[12] *Tropical Homes, Inc. vs. National Housing Authority, et al.*, 152 SCRA 540 (1987); *Borre, et al. vs. Court of Appeals, supra*.

[13] *Ozaeta vs. Court of Appeals, et al.*, 179 SCRA 800 (1989).

[14] *Toledo, et al. vs. Intermediate Appellate Court, et al.*, 152 SCRA 579 (1987).

[15] *Rollo*, 21.

[16] *Mapa vs. Arroyo, et al.*, 175 SCRA 76 (1989); *A.M. Oreta & Co., Inc. vs. National Labor Relations Commission, et al.*, 176 SCRA 218 (1989).

[17] *Rizal Memorial Colleges Faculty Union-Davao Workers Union, et al. vs. National Labor Relations Commission, et al.*, 178 SCRA 439 (1989).

[18] *Baliwag Transit, Inc., et al. vs. Court of Appeals, et al.*, 147 SCRA 82 (1987).

[19] *Alvero vs. De la Rosa, etc., et al.*, 76 Phil. 428 (1946).

[20] *Ronquillo vs. Marasigan*, 5 SCRA 304 (1962); *Workmen's Insurance Co., Inc. vs. Augusto, et al.*, 40 SCRA 123 (1971).

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