Republic of the Philippines
Supreme Court
Manila

THIRD DIVISION

VIRJEN SHIPPING CORPORATION, JX OCEAN CO., LTD. and/or C/E JOSEPH ALVIN S. OLABRE,	**G.R. No. 238358**
Petitioners,	Present:
	LEONEN, *J.*, Chairperson,
	HERNANDO,
	INTING,
- versus -	DELOS SANTOS, and
	LOPEZ, J., *JJ.*
	Promulgated:
MANUEL G. NOBLEFRANCA,	
Respondent.	May 12, 2021
	Mi s.p.d.c.Bath

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D E C I S I O N

DELOS SANTOS, *J.*:

"[F]or [an] illness to be compensable, it is not necessary that the nature of the employment be the sole and only reason for the illness suffered by the seafarer. It is sufficient that there is a reasonable linkage between the disease suffered by the employee and his work to lead a rational mind to conclude that his work may have contributed to the establishment or, at the very least, aggravation of any pre-existing condition he might have had."[1]

This is to resolve the Petition for Review on *Certiorari*[2] under Rule 45 of the Rules of Court, dated May 9, 2018, of petitioners Virjen Shipping Corporation, JX Ocean Co., Ltd. and/or C/E Joseph Alvin S. Olabre seeking to reverse and set aside the Decision[3] dated November 16, 2017 and the Resolution[4] dated March 15, 2018, both of the Court of Appeals (CA) in

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1 *Magsaysay Maritime Services v. Laurel*, 707 Phil. 210, 225 (2013).
2 *Rollo*, pp. 30-60.
3 Id. at 14-24; penned by Associate Justice Manuel M. Barrios, with Associate Justices Sesinando E. Villon and Renato C. Francisco, concurring.
4 Id. at 26-28.

CA-G.R. SP No. 149457.

The factual antecedents are as follows:

Private respondent, Manuel G. Noblefranca (Noblefranca), had worked for petitioner local manning agent Virjen Shipping Corporation, for and on behalf of its foreign principal, petitioner JX Ocean Co. Ltd.,[5] for 23 years. He was initially hired as an ordinary seaman on October 24, 1991, and was promoted to an able seaman on April 26, 1993. He then became a pump man on April 14, 2003, and continued to work as such. His latest contract with petitioner was executed on November 26, 2014 for a nine (9)-month contract as pump man on board M.T. Eneos Ocean and with a monthly basic salary of US$649.00. He boarded the said vessel on December 21, 2014, after being declared "fit to work" following the required pre-employment medical examination (PEME) conducted in October 2014.[6]

As a pump man, Noblefranca had the responsibility of ensuring the safe and proper operation of the liquid cargo transfer system. He had to monitor, repair, and maintain all the pumps, fittings, valves, and other parts necessarily related to the said system, which work likewise entailed repacking valves and glands, as well as lubricating parts and bearings. Aside from that, he was required to be proficient in shipboard engineering casualty drills, fire drills, and collision drills, as he was expected to take the initiative in emergency situations with specific orders or instructions. He regularly worked for eight to 16 hours a day, and was on call even during his hours of rest to make certain that the vessel is seaworthy and that the voyage would be safe.[7]

On March 21, 2015, Noblefranca reported for duty at around 8:30 in the morning to conduct maintenance at the engine room inasmuch as the main valve and fittings required reconditioning. At around 10:30 in the morning, he attended to his personal needs and was surprised when he urinated blood. He was first treated on board, but was later brought to Kawasaki Rinko Hospital on March 31, 2015, where he underwent a Computerized Tomography (CT) Scan of his abdomen. It was then discovered that he had an Abdominal Aortic Aneurysm. Thereafter, he was repatriated on April 2, 2015, and was admitted at the Manila Medical Center. On April 20, 2015, he was transferred to the Philippine Heart Center where the delicate surgical operation was done. Thereafter, he was re-admitted at the Manila Medical Center on April 30, 2015 and was finally discharged on May 12, 2015.[8]

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5 Id. at 32.
6 Id. at 15.
7 Id. at 15-16.
8 Id. at 16.

Noblefranca continued to take medication and to regularly see the company-designated physician for check-up until the latter terminated his treatment on October 19, 2015. Noblefranca lamented that no final disability assessment was issued to him, and sadly, petitioners refused to provide further medical assistance. Noblefranca pleaded petitioners for aid, in consideration of his 23 years of continuous and efficient service, but the latter turned down his request. He sought a second opinion from Dr. May S. Donato-Tan (Dr. Donato-Tan) concerning his illness. The diagnosis, however, was that he is permanently unfit for sea duties. Hence, Noblefranca filed a complaint to claim disability benefits under the IMMAJ-JSU/PSU-IBF Collective Bargaining Agreement (CBA) which, as stated in his Contract of Employment, covered his tenure.[9]

To refute the complaint, petitioners averred that the company-designated physician, Dr. Nicomedes G. Cruz (Dr. Cruz), opined in a medical report dated April 7, 2015 that "[a]bdominal aortic aneurysm is a bulge or dilatation in the wall of the aorta that passes through the abdomen. It tends to run in families and to occur in people who have high blood pressure, especially those who smoke. It is not work-related." This was issued long before the 120-day period expired.[10]

Petitioners likewise pointed out that they shouldered the medical expenses of Noblefranca from the time he was examined at Kawasaki Rinko Hospital in Japan up to his aortic surgical operation and succeeding treatments in the Philippines. They also argued that the IMMAJ-JSU/PSU-IBF CBA cannot apply, since Noblefranca failed to prove that his contract was covered thereby.[11]

Labor Arbiter's Ruling

On April 19, 2016, Labor Arbiter (LA) Jesus Orlando M. Quiñones rendered a Decision[12] in favor of herein petitioners and upheld the diagnosis of Dr. Cruz that the illness suffered by Noblefranca is not work-related. Moreover, no disability grading was provided by either Dr. Cruz or Dr. Donato-Tan; hence, a finding that Noblefranca is suffering from Grade 1 disability cannot be sustained. Noblefranca was likewise faulted for failing to secure a third opinion from a different physician.[13]

The dispositive portion of the Decision reads:

> WHEREFORE, the foregoing premises considered, judgment is hereby rendered DISMISSING the complaint for lack of merit.

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[9] Id. at 16-17.
[10] Id. at 17.
[11] Id.
[12] Not attached to the *rollo*.
[13] *Rollo*, p. 17.

> Likewise, all other claims are DISMISSED.
>
> SO ORDERED.[14]

Aggrieved by the LA's Decision, Noblefranca elevated the case to the National Labor Relations Commission (NLRC) for review.

NLRC Ruling

On August 24, 2016, the NLRC issued a Decision[15] dismissing Noblefranca's appeal and affirming *in toto* the Decision of the LA. The dispositive portion reads as follows:

> WHEREFORE, premises considered, the instant appeal is hereby dismissed for lack of merit. The Labor Arbiter's Decision dated April 29, 2015 is hereby AFFIRMED.
>
> SO ORDERED.[16]

On October 6, 2016, petitioners received Noblefranca's motion for reconsideration.[17]

On October 26, 2016, the NLRC issued a Resolution[18] denying Noblefranca's motion for reconsideration, the dispositive portion of which reads:

> Acting on the Motion for Reconsideration filed by complainant dated September 23, 2016, relative to the Decision of the Commission dated August 24, 2016, We resolve to DENY the same as the motion raised no new matters of substance which would warrant reconsideration of the Decision of this Commission.
>
> SO ORDERED.[19]

Thus, Noblefranca elevated the matter to the CA *via* a Petition for *Certiorari* under Rule 65 of the Rules of Court which was docketed as CA-G.R. SP No. 149457.

In his petition, Noblefranca argued that the NLRC committed grave abuse of discretion in its findings that the company-designated physician is

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[14] Id. at 34.
[15] Not attached to the *rollo*.
[16] *Rollo*, p. 35.
[17] Id.
[18] Not attached to the *rollo*.
[19] *Rollo*, p. 35.

tasked under the Philippine Overseas Employment Administration-Standard Employment Contract (POEA-SEC) in assessing the seaman's disability. He also averred that the NLRC committed grave abuse of discretion amounting to lack of jurisdiction in its findings that his illness is not work-related.

CA Ruling

In a Decision[20] dated November 16, 2017, the CA granted the petition, the dispositive portion of which reads:

> WHEREFORE, in view of the foregoing, the Petition for *Certiorari* is GRANTED. The Decision dated 24 August 2016 and the Resolution dated 26 October 2016 of the National Labor Relations Commission are ANNULED and SET ASIDE. Private respondents Virjen Shipping Corporation and/or JX Ocean Co., Ltd. are ORDERED TO PAY petitioner Manuel G. Noblefranca total and permanent disability benefits equivalent to the amount of Sixty Thousand Dollars (US$60,000.00) or its peso equivalent at the time of payment, with legal interest at the rate of six percent (6%) *per annum* from the finality of this Decision until fully paid.
>
> SO ORDERED.[21]

The CA ruled that refusal to pay disability benefits on the basis of a mere statement by the company-designated physician that the illness is not work-related is unavailing. Although the company-designated physician is tasked with assessing the illness of a seafarer and the degree of his or her disability, such assessment is neither conclusive nor final and thus, cannot bind the courts which must still weigh the merit of the same as against the factual *milieu* of the case.[22] The CA opined that in this instant case, it is undeniable that Noblefranca had worked for petitioners for 23 long years. He endured the physical hardships entailed by his tasks as an able bodied seaman for about 12 years, before working as a pump man for 11 more years. Any kind of work or labor ordinarily stresses and strains the physical body resulting in wear and tear of the muscles and organs. However, as a seafarer, Noblefranca had to suffer a great degree of emotional strain as well, fighting off homesickness while being subjected to the perils of the sea. It is not surprising then that Noblefranca's illness developed or, at the very least, was affected by his employment as a seafarer.[23]

On December 12, 2017, petitioners filed a Motion for Reconsideration but it was denied by the CA in its Resolution[24] dated March 15, 2018.

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[20] Id. at 14-24.
[21] Id. at 23.
[22] Id. at 21.
[23] Id. at 21-22.
[24] Id. at 26-28.

Hence, this Petition raising the following arguments:

> I.
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> The Court of Appeals acted on a gross miscomprehension of facts which resulted in the misapplication of law and existing jurisprudence thereby reaching legal conclusions that are not only contrary to the facts conclusively established by uncontroverted evidence on record, but also manifestly mistaken, absurd and impossible, based as they were on speculations, surmises and conjectures when it annulled and set aside the factual determination of BOTH the Labor Arbiter and the illness of the [Noblefranca], ABDOMINAL AORTIC ANEURYSM, is NOT WORK-RELATED.
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> II.
>
> The Court of Appeals acted on a gross miscomprehension of facts which resulted in the misapplication of law and existing jurisprudence thereby reaching legal conclusions that are not only contrary to the facts conclusively established by uncontroverted evidence on record, but also manifestly mistaken, absurd and impossible, based as they were on speculations, surmises and conjectures when it disregarded the medical reports of the company-designated physician which unequivocally stated that the illness of the private respondent is NOT WORK RELATED.
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> III.
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> The award of US$60,000.00 cannot be sustained without any substantial evidence to prove that the private respondent is suffering from a GRADE 1 DISABILITY or even a WORK-RELATED ONE.
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> IV
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> The mere fact that an illness which lasted for more than 120 days equates to a WORK-RELATED and GRADE 1 DISABILITY without any medical evidence to support the same cannot be used as legal basis for awarding full disability benefits under the POEA Contract.[25]

The Court's Ruling

The fundamental issue for this Court's resolution is whether the CA erred in reversing the findings and rulings of the labor tribunals which denied the disability claims of Noblefranca for failing to prove that his illness was work-related.

As explained by the Court in *Republic v. Martinez*:[26]

> It is settled that under Rule 45 of the Rules of Court, only questions of law may be raised in a petition for review on *certiorari* before this Court as we are not a trier of facts. Our jurisdiction in such a proceeding is limited to reviewing only errors of law that may have been committed by the lower courts. It is not the function of the Court to

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[25] Id. at 36-37.

[26] G.R. Nos. 224438-40, September 3, 2020.

> reexamine or reevaluate evidence, whether testimonial or documentary, adduced by the parties in the proceedings below.[27]

Factual findings of administrative or quasi-judicial bodies, however, including labor tribunals, are accorded much respect by this Court as they are specialized to rule on matters falling within their jurisdiction especially when these are supported by substantial evidence.[28] The rule, however, is not ironclad and a departure therefrom may be warranted when at least one of these exceptions exist, to wit: "1) when the findings are grounded entirely on speculation, surmises or conjectures; 2) when the inference made is manifestly mistaken, absurd or impossible; 3) when there is grave abuse of discretion; 4) when the judgment is based on a misapprehension of facts; 5) when the findings of facts are conflicting; 6) when in making its findings the CA went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee; 7) when the findings are contrary to the trial court; 8) when the findings are conclusions without citation of specific evidence on which they are based; 9) when the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondent; 10) when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; and, 11) when the CA manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion."[29] Thus, where the findings of fact of the CA are contrary to the findings and conclusions of the trial court or quasi-judicial agency, as in this case, this Court is constrained to review and resolve the factual issue in order to settle the controversy.[30]

The present case before us involves the contention of petitioners Virgen Shipping Corporation, JX Ocean Co., Ltd. against the decision of the CA awarding US$60,000.00 as disability benefits plus 6% interest *per annum* to Noblefranca as compensation for his work-related illness.

In their Petition, petitioners maintain that the illness of Noblefranca was not work-related as diagnosed by the company physician. Petitioners insist that contrary to the findings of the CA, mere lapse of 120/240 days and/or the mere allegation of loss of earning capacity should not be the sole basis in awarding benefits without any substantial evidence to support the same. Petitioners also emphasize that factual findings of both the LA and NLRC should be given great weight and must be binding, especially that both the LA and NLRC have arrived at the same conclusion that Noblefranca's illness is not work-related as correctly determined by the company-designated physician whose medical findings should be upheld.

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[27] Id.
[28] *De Leon v. Maunlad Trans, Inc.*, 805 Phil. 531, 538 (2017).
[29] *Commissioner of Internal Revenue v. Silicon Philippines, Inc.*, 729 Phil. 156, 165 (2014).
[30] *The Peninsula Manila v. Jara*, G.R. No. 225586, July 29, 2019.

Also, the award of US$60,000.00 cannot be sustained without any substantial evidence to prove that Noblefranca is suffering from a Grade1 Disability or even a work-related one. Lastly, petitioners contest the award of 6% interest *per annum*, arguing that the award of 6% interest *per annum* without being raised on appeal before the LA and the NLRC constitutes a violation of their right to due process and the principle of immutability of final judgements.[31]

In his Comment,[32] Noblefranca emphasizes that he worked for petitioners for 23 years, wherein he was exposed to various elements, chemicals, stress, and fatigue. His said employment could have contributed to his illness, as his physical stamina and resistance could have weakened due to the work risks and hazards, and eventually caused him to suffer the same.[33] Thus, contrary to petitioners' claim, his illness, Aortic Aneurysm, is work-related. Moreover, the disputable presumption of compensability has been satisfied by the facts and circumstances of his employment with petitioners. His employment with petitioners for 23 years, the fact that he was exposed to certain hazards, and that his illness occurred while he was still on board and in the performance of his duties as seaman, justify the applicability of the disputable presumption to his case.[34] Noblefranca also posits that the company-designated physician failed to issue any assessment of fitness or disability after 200 days of treatment. The said fact alone rendered his total temporary disability to permanent total disability, entitling him to permanent total disability benefits.[35] Lastly, as to the imposition of 6% interest rate *per annum*, Noblefranca invokes that if a judgment did not become final and executory before July 1, 2013 and there was no stipulation in the contract providing for a different interest rate, other money claims under Section 10 of Republic Act No. 8042[36] shall be subject to the 6% interest *per annum* in accordance with Bangko Sentral ng Pilipinas (BSP) Circular No. 799-13.[37]

The petition is bereft of merit.

Noblefranca's illness is work-related, therefore compensable.

The applicable provisions that govern a seafarer's disability claim has been explained by the Court in *Jebsen Maritime, Inc. v. Ravena*,[38] thus:

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[31] *Rollo*, p. 59.
[32] Id. at 136-160.
[33] Id. at 150.
[34] Id. at 153.
[35] Id. at 155.
[36] Migrant Workers and Overseas Filipinos Act of 1995; approved on June 7, 1995.
[37] Rate of Interest in the Absence of Stipulation; effective on July 1, 2013.
[38] 743 Phil. 371 (2014).

> The entitlement of an overseas seafarer to disability benefits is governed by law, the employment contract, and the medical findings.
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> By law, the seafarer's disability benefits claim is governed by Articles 191 to 193, Chapter VI (Disability benefits) of the Labor Code, in relation to Rule X, Section 2 of the Rules and Regulations Implementing the Labor Code.
>
> By contract, it is governed by the employment contract which the seafarer and his employer/local manning agency executes prior to employment, and the applicable POEA-SEC that is deemed incorporated in the employment contract.
>
> Lastly, the medical findings of the company-designated physician, the seafarer's personal physician, and those of the mutually-agreed third physician, pursuant to the POEA-SEC, govern.[39]

Since Noblefranca was employed in 2014, the 2010 POEA-SEC governs the procedure for compensation and benefits for a work-related injury or illness suffered by a seafarer on board sea-going vessels during the term of his contract.

Pursuant to Section 20(A) of the 2010 POEA-SEC, in order for a disability to be compensable, (i) the injury or illness must be work-related; and (ii) the work-related injury or illness must have existed during the term of the contract of the seafarer. In turn, "work-related illness" pertains to such sickness listed as occupational disease under Section 32-A of the POEA-SEC with the set conditions therein satisfied. An illness not listed as occupational disease is, nonetheless, disputably presumed work-related provided that the seafarer proves, by substantial evidence, that his or her work conditions caused or, at the least, increased his or her having contracted the same.[40]

In this case, although Noblefranca's illness is not listed as occupational disease, he was able to prove that his work conditions caused or at least exacerbated his chances of having it.

As observed by the CA, evidence revealed that Noblefranca, who was by then 55 years of age, was already suffering from high blood pressure and hypertension at the time he boarded M.T. Eneos Ocean on December 21, 2014, as indicated by the PEME results.[41] In a Medical Report dated April 7, 2015, Dr. Cruz, the company-designated physician opined that aortic aneurysm typically affects persons suffering from high blood pressure.[42]

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[39] Id. at 385.

[40] *Ilustricimo v. NYK-Fil Ship Management, Inc.*, G.R. No. 237487, June 27, 2018, 869 SCRA 182, 191-192.

[41] *Rollo*, p. 20.

[42] Id.

Also, the aneurysm occurred while Noblefranca was on board the vessel, while performing his sea duties. It is also important to highlight that Noblefranca had been working for petitioners as a seafarer for 23 years. Undoubtedly, his exposure to various work settings on board the vessel, the stress and fatigue from employment, the risks of being subjected to the perils of the sea, plus the great emotional strain from working away from home and his family, could have, at the very least, contributed to the development of his illness. Joining together these circumstances would lead us to the conclusion that Noblefranca's illness is work-related.

Moreover, this Court agrees with the CA in classifying Noblefranca's illness as a cardiovascular disease. As such, Noblefranca should be able to satisfy the conditions provided in Item 11 of Section 32-A of the 2010 POEA-SEC to establish work relation and compensability. The pertinent portions of said provision are as follows:

> The following diseases are considered as occupational when contracted under working conditions involving the risks described herein:
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> x x x x
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> 11. Cardio-vascular events. – to include heart attack, chest pain (angina), heart failure or sudden death. Any of the following conditions must be met:
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> a. If the heart disease was known to have been present during employment, there must be proof that an acute exacerbation was clearly precipitated by the unusual strain by reasons of the nature of his work.
> b. The strain of work that brings about an acute attack must be sufficient severity and must be followed within 24 hours by the clinical signs of a cardiac insult to constitute causal relationship.
> c. If a person who was apparently asymptomatic before being subjected to strain at work showed signs and symptoms of cardiac injury during the performance of his work and such symptoms and signs persisted, it is reasonable to claim a causal relationship.

It is undisputed that the above conditions have also been met because as abovementioned, Noblefranca was already suffering from high blood pressure and hypertension at the time of his employment. While performing his regular sea duties, he found blood in his urine, was immediately treated on board, and then brought to Kawasaki Rinko Hospital. He was later repatriated and admitted to Manila Medical Center and was eventually transferred to Philippine Heart Center where he had his surgical operation for his Abdominal Aortic Aneurysm. The foregoing proves that his illness is indeed work-related.

In *Paringit v. Global Gateway Crewing Services, Inc.*,[43] citing *Magsaysay Maritime Services v. Laurel*,[44] the Court emphasized that in determining the compensability of an illness, it is not necessary that the nature of the employment be the sole reason for the seafarer's illness. A reasonable connection between the disease and work undertaken already suffices:

> Settled is the rule that for illness to be compensable, it is not necessary that the nature of the employment be the sole and only reason for the illness suffered by the seafarer. It is sufficient that there is a reasonable linkage between the disease suffered by the employee and his work to lead a rational mind to conclude that his work may have contributed to the establishment or, at the very least, aggravation of any pre-existing condition he might have had.[45]

Noblefranca's illness had become total and permanent in view of the lapse of the 120/240 window.

The CA is also correct for reversing and setting aside the decision of the labor tribunals when they denied Noblefranca's disability claim on the basis of a mere statement by the company-designated physician that his illness is not work-related.

We are unconvinced with petitioners' claim that Noblefranca's illness is not work-related. Their reliance on the "not work-related" assessment of the company-designated physician is unavailing because it is not a final assessment. A final, conclusive, and definite assessment must clearly state whether the seafarer is fit to work or the exact disability rating, or whether such illness is work-related, and without any further condition or treatment.[46]

Pursuant to Section 20(A) of the 2010 POEA-SEC, when a seafarer suffers a work-related injury or illness in the course of employment, the company-designated physician is obligated to arrive at a definite assessment of the former's fitness or degree of disability within a period of 120 days from repatriation.[47] During the said period, the seafarer shall be deemed on temporary total disability and shall receive his basic wage until he is declared fit to work or his temporary disability is acknowledged by the company to be permanent, either partially or totally, as his condition is defined under the POEA-SEC and by applicable Philippine laws. However, if the 120-day period is exceeded and no definitive declaration is made because the seafarer requires further medical attention, then the temporary total disability period may be extended up to a maximum of 240 days,

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[43] G.R. No. 217123, February 6, 2019.
[44] 707 Phil. 210 (2013).
[45] Id. at 225.
[46] *Corcoro, Jr. v. Magsaysay Mol Marine, Inc.*, G.R. No. 226779, August 24, 2020.
[47] *Sunit v. OSM Maritime Services, Inc.*, 806 Phil. 505, 522-523 (2017).

subject to the right of the employer to declare within this period that a permanent partial or total disability already exists.[48] But before the company-designated physician may avail of the allowable 240-day extended treatment period, he must perform some significant act to justify the extension of the original 120-day period.[49] Otherwise, **the law grants the seafarer the relief of permanent total disability benefits due to such non-compliance.**[50]

Here, the "not work-related" assessment was issued by the company-designated physician on April 7, 2015.[51] It is important to highlight, however, that Dr. Cruz opined in the same Medical Report that "Disability is being anticipated."[52] A careful review of the records of this case would also show that Noblefranca is not only afflicted with one illness, but two: abdominal aortic aneurysm, for which he was treated, and chronic calculous cholecystitis due to the presence of gallbladder stones.[53] Moreover, in a Medical Report dated July 30, 2015 or 119 days on treatment, the company-designated physician even recommended that Noblefranca undergo laparoscopic cholecystectomy.[54] The illness was, however, belittled by the succeeding Medical Report dated August 20, 2015 which stated that, "the diagnosed illness of chronic calculous cholecystitis is an incidental finding and not related to abdominal aneurysm.[55] In a Medical Report dated September 24, 2015 or 175 days on treatment, it was noted that gallbladder stones were still present. Thereafter, medical treatment both for the abdominal aortic aneurysm or its effects and for the chronic calculous chlocystitis was unceremoniously stopped in October 2015 without giving Noblefranca reasons therefor.[56] Clearly, the company-designated physician failed to issue any assessment for fitness of disability to Noblefranca when it suddenly terminated his treatment.

In *Elburg Shipmanagement Philippines, Inc. v. Quiogue, Jr.*,[57] the Court summarized the rules regarding the company-designated physician's duty to issue a final medical assessment on the seafarer's disability grading as follows:

> 1. The company-designated physician must issue a final medical assessment on the seafarer's disability grading within a period of 120 days from the time the seafarer reported to him;
> 2. If the company-designated physician fails to give his assessment within the period of 120 days, without any justifiable reason, then the seafarer's disability becomes permanent and total;

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48 *Vergara v. Hammonia Maritime Services, Inc.*, 588 Phil. 895, 912 (2008).
49 *Talaroc v. Arpaphil Shipping Corporation*, 817 Phil. 598, 611-612 (2017).
50 *Gamboa v. Maunlad Trans, Inc.*, G.R. No. 232905, August 20, 2018.
51 *Rollo*, p. 17.
52 Id. at 18.
53 Id.
54 Id.
55 Id. at 19.
56 Id.
57 765 Phil. 341 (2015).

> 3. If the company-designated physician fails to give his assessment within the period of 120 days with a sufficient justification (*e.g.*, seafarer required further medical treatment or seafarer was uncooperative), then the period of diagnosis and treatment shall be extended to 240 days. The employer has the burden to prove that the company-designated physician has sufficient justification to extend the period; and
> 4. If the company-designated physician still fails to give his assessment within the extended period of 240 days, then the seafarer's disability becomes permanent and total, regardless of any justification.[58]

A final, conclusive, and definite medical assessment must clearly state whether the seafarer is fit to work or the exact disability rating, or whether such illness is work-related, and without any further condition or treatment. It should no longer require any further action on the part of the company-designated physician and it is issued by the company-designated physician after he or she has exhausted all possible treatment options within the periods allowed by law.[59]

Without a valid, final, and definitive assessment from the company-designated physician, Noblefranca's temporary and total disability, by operation of law, became permanent and total.[60]

Payment of Legal Interest

Lastly, pursuant to *Franciviel Derama Setoso v. United Philippine Lines, Inc.*,[61] *C.F. Sharp Crew Management, Inc. v. Santos*,[62] and *Nacar v. Gallery Frames*,[63] the Court imposes on the monetary awards legal interest at six percent (6%) *per annum* from the date of finality of this decision until full payment.

WHEREFORE, premises considered, the instant Petition for Review is **DENIED**. The Decision dated November 16, 2017 and the Resolution dated March 15, 2018, of the Court of Appeals in CA-G.R. SP No. 149457 are hereby **AFFIRMED**. Virjen Shipping Corporation and/or JX Ocean Co., Ltd are **ORDERED** to pay Manuel G. Noblefranca total and permanent disability benefits equivalent to the amount of Sixty Thousand Dollars (US$ 60,000.00) or its peso equivalent at the time of payment, with legal interest at the rate of six percent (6%) *per annum* from the finality of this Decision until fully paid.

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[58] Id. at 362-363.
[59] *Razonable v. Maersk-Filipinas Crewing, Inc.*, G.R. No. 241674, June 10, 2020.
[60] *Orient Hope Agencies, Inc. v. Jara*, 832 Phil. 380, 407 (2018).
[61] G.R. No. 237063, July 24, 2019.
[62] G.R. No. 213731, August 1, 2018.
[63] 716 Phil. 267 (2013).

SO ORDERED.

EDGARDO L. DELOS SANTOS
Associate Justice

WE CONCUR:

MARVIC MARIO VICTOR F. LEONEN
Associate Justice
Chairperson

RAMON PAUL L. HERNANDO
Associate Justice

HENRI JEAN PAUL B. INTING
Associate Justice

JHOSEP Y. LOPEZ
Associate Justice

ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

MARVIC MARIO VICTOR F. LEONEN
Associate Justice
Chairperson, Third Division

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution, and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.

ALEXANDER G. GESMUNDO
Chief Justice