

#### Republic of the Philippines

## DEPARTMENT OF LABOR AND EMPLOYMENT EMPLOYEES' COMPENSATION COMMISSION

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# EXCERPTS FROM THE MINUTES OF THE SECOND (2<sup>nd</sup>) JOINT REGULAR COMMISSION MEETING, EMPLOYEES' COMPENSATION COMMISSION, SERIES OF 2014,

3A Conference Room, OSHC Bldg. Agham cor. North Ave, Quezon City Tuesday, 25 March 2014 at 12:00 NN

## **BOARD RESOLUTION NO. 14-03-09**

Setting the Reckoning Date for the Three-Year Prescriptive Period in the Evaluation of Claims for Temporary Total Disability (TTD) Due to Sickness

WHEREAS, Article 201 of P.D. No. 626, as amended, provides:

"ART. 201. Prescriptive Period.- No claim for compensation shall be given due course unless said claim is filed with the System within three years from the time the cause of action accrued."

**WHEREAS,** Commission Circular No. 03-709, dated July 22, 2009, provides for the reckoning date of the three-year prescriptive period due to sickness in this manner, to wit:

a. "In the case of sickness, from the time the covered employee lost the earning capacity and not when the illness first became manifest."

**WHEREAS,** EC Board Resolution No. 11-04-10, dated April 28, 2011, provides that the three-year prescriptive period for filing of claim for EC Permanent Total Disability (PTD) benefits should be reckoned from the time the employee was terminated from his employment due to illness;

**WHEREAS**, the existing rules do not provide guidelines on the reckoning date of claim for TTD due to sickness in the event that the employee has a series of confinements for the same illness but he/she is still able to report for work;

**WHEREAS,** in case of multiple confinements due to the same illness, the Systems usually count the three-year prescriptive period from the first confinement of the covered employee;

**WHEREAS,** Art. 166 of P.D. No. 626, as amended, states that the policy of the State is to grant income benefits to work-connected disability or death;

**WHEREAS,** in the case of ECC vs. Sanico (G.R. No. 134028. December 17, 1999, the Supreme Court held that disability should be understood more on the impairment of one's earning capacity;

WHEREAS, the object of the law in granting TTD benefits is to compensate the employee for what he/she might have earned during the period of treatment of his work-connected sickness;

WHEREAS, in accordance with the law and with the ruling of the Supreme Court, this Commission finds the need to prescribe a definite guideline on the reckoning of the three-year prescriptive period in the evaluation of claims for TTD benefits due to sickness in the event of multiple confinements for the same illness of an employee who is still able to report for work;

**WHEREAS**, Art. 177 (c) of P.D. No. 626, as amended, empowers this Commission to approve rules and regulations governing the processing of EC claims;

### NOW THEREFORE, ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES AT IT HEREBY RESOLVED**, that the three year prescriptive period on claims for TTD benefits for multiple confinements for the same illness should be counted from the last confinement or from the last time the employee was unable to report for work due to the same illness, whichever is applicable;

**RESOLVED FINALLY,** that this Resolution shall take effect immediately after its publication in a newspaper of general circulation and copy of this Resolution be furnished to the GSIS and to the SSS for guidance and compliance.

APPROVED in City of Makati, this 25 th day of March, 2014.

CIRÍACO A. LAGUNZAD IN

Chairperson-Alternate

Department of Labor and Employment

AGNES E. SAN JOSE

Member-Designate Social Security System DIONISIO C. EBDANE, JR.

Member-Designate

Gøvernment Service Insurance System

CARLITO P. ROBLE

Member Employees' Sector MIGUEL B. VARELA

Member

Employers' Sector

## **ALEXANDER A. PADILLA**

Member-Designate Philippine Health Insurance Corporation

## **ROBERT S. MARTINEZ**

Member-Designate Civil Service Commission

STELLA ZIPAGAN-BANAWIS

Member

Employees' Compensation Commission - Secretariat