

# Republic of the Philippines DEPARTMENT OF LABOR AND EMPLOYMENT

## EMPLOYEES' COMPENSATION COMMISSION

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EXCERPTS FROM THE MINUTES OF THE 4<sup>th</sup> REGULAR COMMISSION MEETING, EMPLOYEES' COMPENSATION COMMISSION, SERIES OF 2011, convened at the Board Room, 5<sup>th</sup> Floor, ECC Building, 355 Sen. Gil J. Puyat Avenue, Makati City on Thursday, 28<sup>th</sup> day of April 2011 at 3:00 P.M.

#### **BOARD RESOLUTION NO. 11-04-10**

Setting the Reckoning Date of the Three-Year Prescriptive Period in the Evaluation of Employees' Compensation Claims for Permanent Total Disability (PTD)

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. (As amended by Sec. 5. P.D. No. 1921)"

WHEREAS, Paragraph I.1.2 of EC Board Resolution No. 93-08-0068, dated August 5, 1993, partly reads:

#### "I. PRESCRIPTION

XXX

1.2. xxx The three year prescriptive period shall be reckoned from the onset of disability xxx"

WHEREAS, in the case of ECC vs. Sanico (G.R. No. 134028, December 17, 1999), the Supreme Court held that:

 "Permanent total disability means disablement of an employee to earn wages in the same kind of work, or work of 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. It does not mean absolute helplessness;

- 2. "In disability compensation, it is not the injury which is compensated, but rather it is the incapacity to work resulting in the impairment of one's earning capacity;
- 3. "the prescriptive period for filing compensation claims should be reckoned from the time the employee lost his earning capacity, *i.e.*, terminated from employment, due to his illness and not when the same first became manifest."

WHEREAS, this Commission finds the need to promulgate a policy to prevent any confusion and conflict in the interpretation of the law;

WHEREAS, Article 177 (c) empowers this Commission to approve rules and regulations governing the processing of EC claims;

### ON MOTION DULY MADE AND SECONDED

This Commission **RESOLVES** that the prescriptive period for filing compensation claims should be reckoned from the time the employee lost his earning capacity;

This Commission RESOLVES FURTHER that all previous resolutions which are inconsistent with this policy are hereby repealed, modified, or amended accordingly;

This Commission **RESOLVES FINALLY**, that copies of this Resolution be duly furnished the SSS and the GSIS for their compliance and proper guidance.

APPROVED in the City of Makati, this 28th day of April, 2011

LOURDES M. TRASMONTE

Chairman-Designate

Department of Labor and Employment

JUDY FRANCES A. SEE

Member-Designate

Social Security System

(Absent)
DIONISIO C. EBDANE, Jr.
Member-Designate
Government Service Insurance System

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VLADIMIR R. TUPAZ

Member

Employees' Sector

(Absent) MIGUEL B. VARELA

Member

Employers' Sector

(Absent)

ALEXANDER PADILLA

Member-Designate

Philippine Health Insurance Corporation

Member-Designate

Civil Service Commission

**EVELYN P. FLORENDO-TABLANG** 

Employees' Compensation Commission Secretariat