Del Rosario & Del Rosario's Commentary on the Background and Future Prospects

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Traditional 120/240-Day Rule

Under the Philippine Overseas Employment Administration (POEA) Standard Employment Contract and the original decision of the Supreme Court, the company-designated physician (CDP) is expected to issue a final medical assessment within 120 days from the seafarer's repatriation. Otherwise, the seaman will be automatically considered permanently and totally disabled by operation of law.

The rule was relaxed by another Court decision which states that where further medical treatment is required and there is sufficient medical justification, the treatment period may be extended up to 240 days.

The significance of the rule arose from numerous cases where no final assessment was issued within the 120 days period. In such circumstances, courts often considered the disability to be total and permanent by operation of law. As a result, disputes frequently focused on whether the extension beyond 120 days was medically justified and whether the final assessment was timely and properly issued.

The Supreme Court decision discussed in our update reaffirms that a final assessment issued beyond 120 days is not automatically invalid. What remains critical is the existence of adequate medical justification for extending the treatment period and the continuous monitoring and treatment of the seafarer by the CDP. If there is sufficient justification as to why treatment breached the 120-day period, then the same is validly extended to 240 days.

Importance of Monitoring Future Cases Under the Magna Carta for Seafarers (RA 12021)

Future developments should be closely monitored because the Magna Carta of Filipino Seafarers introduces provisions that may affect how disability claims are assessed and resolved.

Section 57 of RA 12021 provides that disability compensation shall not be determined solely by the number of days that a seafarer remains under treatment. This appears to move away from the central role historically played by the 120/240-day framework in disability claims.

However, since the law is relatively new, there is still no jurisprudence interpreting its provisions. It remains to be seen how courts will reconcile the new statutory framework with the substantial body of previous Supreme Court decisions that developed under the previous regime. For this reason, shipowners and other stakeholders should continue to monitor future cases closely, particularly those addressing the assessment of disability, the role of medical evaluations, and the continuing relevance, if any, of the traditional 120/240-day rule.