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THIRD DIVISION

[G.R. No. 158187. February 11, 2005]

MARILYN GEDUSPAN and DRA. EVANGELYN FARAHMAND, *petitioners, vs.* **PEOPLE OF THE PHILIPPINES and SANDIGANBAYAN,** *respondents.*

SYLLABUS

1. REMEDIAL LAW; SANDIGANBAYAN; JURISDICTION; ACTION AGAINST DEPARTMENT DIRECTOR AND CO-ACCUSED PRIVATE INDIVIDUAL, INCLUDED.— Petitioner held the position of Department Director A of Philhealth at the time of the commission of the offense and that position was among those enumerated in paragraph 1(g), Section 4a of RA 8249 over which the Sandiganbayan has jurisdiction. It is of no moment that the position of petitioner is merely classified as salary grade 26. While the provision covers only officials of the executive branch with the salary grade 27 and higher, the second part thereof "specifically includes" other executive officials whose positions may not be of grade 27 and higher but who are by express provision of law placed under the jurisdiction of the said court. Hence, respondent court is vested with jurisdiction over petitioner together with Farahmand, a private individual charged together with her. It is the position that petitioner holds, not her salary grade, that determines the jurisdiction of the Sandiganbayan.

2. ID.; ID.; ID.; REQUISITES.— This Court in *Lacson v. Executive Secretary, et al.* ruled: A perusal of the aforequoted Section 4 of R.A. 8249 reveals that to fall under the executive jurisdiction of the Sandiganbayan, the following requisites must concur: (1) the offense committed is a violation of *(a)* R.A. 3019, as amended (the Anti-Graft and Corrupt Practices Act), *(b)* R.A. 1379 (the law on ill-gotten wealth), *(c)* Chapter II, Section 2, Title VII, book II of the Revised Penal Code (the law on bribery), *(d)* Executive Order Nos. 1,2, 14 and 14-A, issued in 1986 (sequestration cases), or *(e)* other offenses or felonies whether simple or complexed with other crimes; (2) the offender committing the offenses in items *(a), (b), (c)* and *(e)* is a public official or employee holding any of the positions enumerated

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in paragraph a of Section 4; and (3) the offense committed is in relation to the office.

APPEARANCES OF COUNSEL

Nelson A.Loyola for petitioners.
Eugenio O. Original for respondent.

D E C I S I O N

CORONA, *J.*:

Does the Sandiganbayan have jurisdiction over a regional director/manager of government-owned or controlled corporations organized and incorporated under the Corporation Code for purposes of RA 3019, the Anti-Graft and Corrupt Practices Act? Petitioner Marilyn C. Geduspan assumes a negative view in the instant petition for *certiorari* under Rule 65 of the Rules of Court. The Office of the Special Prosecutor contends otherwise, a view shared by the respondent court.

In the instant Rule 65 petition for *certiorari* with prayer for a writ of preliminary injunction and/or issuance of a temporary restraining order, Geduspan seeks to annul and set aside the resolutions[1] dated January 31, 2003 and May 9, 2003 of the respondent Sandiganbayan, Fifth Division. These resolutions denied her motion to quash and motion for reconsideration, respectively.

On July 11, 2002, an information docketed as Criminal Case No. 27525 for violation of Section 3(e) of RA 3019, as amended, was filed against petitioner Marilyn C. Geduspan and Dr. Evangeline C. Farahmand, Philippine Health Insurance Corporation (Philhealth) and Regional Manager/Director and Chairman of the Board of Directors of Tiong Bi Medical Center, Tiong Bi, Inc., respectively. The information read:

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[1] Penned by Sandiganbayan Presiding Justice Minita V. Chico-Nazario and concurred in by Associate Justices Ma. Christina G. Cortez-Estrada and Diosdado M. Peralta of the Fifth Division.

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That on or about the 27th day of November, 1999, and for sometime subsequent thereto, at Bacolod City, province of Negros Occidental, Philippines, and within the jurisdiction of this Honorable Court, above-named accused MARILYN C. GEDUSPAN, a public officer, being the Regional Manager/Director, of the Philippine Health Insurance Corporation, Regional office No. VI, Iloilo City, in such capacity and committing the offense in relation to office, conniving, confederating and mutually helping with DR. EVANGELINE C. FARAHMAND, a private individual and Chairman of the Board of Directors of Tiong Bi Medical Center, Tiong Bi, Inc. Mandalangan, Bacolod City, with deliberate intent, with evident bad faith and manifest partiality, did then and there wilfully, unlawfully and feloniously release the claims for payments of patients confined at L.N. Memorial Hospital with Philippine Health Insurance Corp., prior to January 1, 2000, amounting to NINETY ONE THOUSAND NINE HUNDRED FIFTY-FOUR and 64/100 (₱91,954.64), Philippine Currency, to Tiong Bi Medical Center, Tiong Bi, Inc. despite clear provision in the Deed of Conditional Sale executed on November 27, 1999, involving the sale of West Negros College, Inc. to Tiong Bi, Inc. or Tiong Bi Medical Center, that the possession, operation and management of the said hospital will be turned over by West Negros College, Inc. to Tiong Bi, Inc. effective January 1, 2000, thus all collectibles or accounts receivable accruing prior to January 1, 2000 shall be due to West Negros College, Inc., thus accused MARILYN C. GEDUSPAN in the course of the performance of her official functions, had given unwarranted benefits to Tiong Bi, Inc., Tiong Bi Medical Center, herein represented by accused DR. EVANGELINE C. FARAHMAND, to the damage and injury of West Negros College, Inc.

CONTRARY TO LAW.

Both accused filed a joint motion to quash dated July 29, 2002 contending that the respondent Sandiganbayan had no jurisdiction over them considering that the principal accused Geduspan was a Regional Director of Philhealth, Region VI, a position classified under salary grade 26.

In a resolution dated January 31, 2003, the respondent court denied the motion to quash. The motion for reconsideration was likewise denied in a resolution dated May 9, 2003.

Hence, this petition.

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Petitioner Geduspan alleges that she is the Regional Manager/ Director of Region VI of the Philippine Health Insurance Corporation (Philhealth). However, her appointment paper and notice of salary adjustment[2] show that she was appointed as Department Manager A of the Philippine Health Insurance Corporation (Philhealth) with salary grade 26. Philhealth is a government owned and controlled corporation created under RA 7875, otherwise known as the National Health Insurance Act of 1995.

Geduspan argues that her position as Regional Director/Manager is not within the jurisdiction of the Sandiganbayan. She cites paragraph (1) and (5), Section 4 of RA 8249 which defines the jurisdiction of the Sandiganbayan:

> Section 4. Jurisdiction. The Sandiganbayan shall exercise original jurisdiction in all cases involving:
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> a. Violations of Republic Act No. 3019, as amended, otherwise known as the Anti-Graft and Corrupt Practices Act, Republic Act No. 1379, and Chapter II, Section 2, Title VII, Book of the Revised Penal Code, where one or more of the accused are officials occupying the following positions in the government, whether in a permanent, acting or interim capacity, at the time of the commission of the offense:
>
> (1) Officials of the executive branch occupying the positions of regional director and higher, otherwise classified as Grade "27" and higher, of the Compensation and Position Classification Act of 1989 (Republic Act No. 6758); specifically including;
>
> xxx xxx xxx
>
> (5) All other national and local officials classified as Grade "27" and higher and under the Compensation and Position Classification Act of 1989.

The petition lacks merit.

The records show that, though Geduspan is a Director of Region VI of the Philhealth, she is not occupying the position

[2] *Rollo*, p. 77.

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of Regional Director but that of Department Manager A, hence, paragraphs (1) and (5) of Section 4 of RA 8249 are not applicable.

It is petitioner's appointment paper and the notice of salary adjustment that determine the classification of her position, that is, Department Manager A of Philhealth.

Petitioner admits that she holds the position of Department Manager A of Philhealth. She, however, contends that the position of Department Manager A is classified under salary grade 26 and therefore outside the jurisdiction of respondent court. She is at present assigned at the Philhealth Regional Office VI as Regional Director/Manager.

Petitioner anchors her request for the issuance of a temporary restraining order on the alleged disregard by respondent court of the decision of this Court in *Roman Cuyco v. Sandiganbayan*.[3]

However, the instant case is not on all fours with *Cuyco*. In that case, the accused Ramon Cuyco was the Regional Director of the Land Transportation Office (LTO), Region IX, Zamboanga City, but at the time of the commission of the crime in 1992 his position of Regional Director of LTO was classified as Director II with salary grade 26. Thus, the Court ruled that the Sandiganbayan had no jurisdiction over his person.

In contrast, petitioner held the position of Department Director A of Philhealth at the time of the commission of the offense and that position was among those enumerated in paragraph 1(g), Section 4a of RA 8249 over which the Sandiganbayan has jurisdiction:

Section 4. Section 4 of the same decree is hereby further amended to read as follows:

Section 4. Jurisdiction. The Sandiganbayan shall exercise original jurisdiction in all cases involving:

a. Violations of Republic Act No. 3019, as amended, otherwise known as the Anti-Graft and Corrupt Practices Act, Republic Act No. 1379, and Chapter II, Section 2,

[3] 381 Phil. 906 (2000).

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Title VII, Book II of the Revised Penal Code, where one or more of the accused are officials occupying the following positions in the government, whether in a permanent, acting or interim capacity, at the time of the commission of the offense;

(1) Officials of the executive branch occupying the positions of regional director and higher, otherwise classified as Grade 'Grade 27' and higher, of the Compensation and Position Classification Act of 1989 (Republic Act No. 6758), *specifically including*:

(a) xxx xxx xxx

(b) xxx xxx xxx

(c) xxx xxx xxx

(d) xxx xxx xxx

(e) xxx xxx xxx

(f) xxx xxx xxx

(g) Presidents, director or trustees, or *managers of government-owned and controlled corporations*, state universities or educational institutions or foundations." (Italics supplied)

It is of no moment that the position of petitioner is merely classified as salary grade 26. While the first part of the above-quoted provision covers only officials of the executive branch with the salary grade 27 and higher, the second part thereof "specifically includes" other executive officials whose positions may not be of grade 27 and higher but who are by express provision of law placed under the jurisdiction of the said court.

Hence, respondent court is vested with jurisdiction over petitioner together with Farahmand, a private individual charged together with her.

The position of manager in a government-owned or controlled corporation, as in the case of Philhealth, is within the jurisdiction of respondent court. It is the position that petitioner holds, not her salary grade, that determines the jurisdiction of the Sandiganbayan.

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This Court in *Lacson v. Executive Secretary, et al.*[4] ruled:

A perusal of the aforequoted Section 4 of R.A. 8249 reveals that to fall under the exclusive jurisdiction of the Sandiganbayan, the following requisites must concur: **(**1**)** the offense committed is a violation of *(a)* R.A. 3019, as amended (the Anti-Graft and Corrupt Practices Act), *(b)* R.A. 1379 (the law on ill-gotten wealth), *(c)* Chapter II, Section 2, Title VII, Book II of the Revised Penal Code (the law on bribery), *(d)* Executive Order Nos. 1, 2, 14 and 14-A, issued in 1986 (sequestration cases), or *(e)* other offenses or felonies whether simple or complexed with other crimes; **(**2**)** the offender committing the offenses in items *(a), (b), (c)* and *(e)* is a public official or employee holding any of the positions enumerated in paragraph a of Section 4; and **(**3**)** the offense committed is in relation to the office.

To recapitulate, petitioner is a public officer, being a department manager of Philhealth, a government-owned and controlled corporation. The position of manager is one of those mentioned in paragraph a, Section 4 of RA 8249 and the offense for which she was charged was committed in relation to her office as department manager of Philhealth. Accordingly, the Sandiganbayan has jurisdiction over her person as well as the subject matter of the case.

WHEREFORE, petition is hereby **DISMISSED** for lack of merit.

Costs against petitioner.

SO ORDERED.

Panganiban (Chairman), Sandoval-Gutierrez, Carpio Morales, and *Garcia, JJ.,* concur.

[4] 361 Phil. 251 (1999).