

Minimum Wage Increases and Supplemental Security Income (SSI) Benefits

Hourly Minimum Wage Changes in Washington State

Year	Washington State	Seattle*	SeaTac*	Tacoma
2019	\$12.00	\$12.00 – \$16.00**	\$16.09	\$12.35
2020	\$13.50	\$13.50 – \$16.39**	\$16.34	\$13.50

*These cities have higher minimum wage rates than Washington State

**Amount varies based on company size and amount contributed to medical benefits

How Minimum Wage Increases Affect SSI

SSI is generally reduced by about \$1 for every \$2 earned. So, for every \$2 that your monthly wages increase – whether due to a change in minimum wage, an increase in work hours, or a raise – your SSI only goes down by about \$1. Overall, you end up with more total income!

Here is a comparison of a person working 20 hours per week at the WA minimum wage amounts in 2019 and 2020. Notice how the person has greater total income in 2020 due to the increase in minimum wage.

20 hours per week @ \$12.00 per hour		
Monthly Gross Wages	\$1,039	
- General Exclusion	- \$20	
- Earned Income Exclusion	- \$65	
Subtotal	\$954	
Divide Subtotal by 2	\$954 / 2	
Equals "Countable Income"	\$477	
SSI 2019*	\$771	
- Countable Income	- \$477	
Adjusted SSI Amount	\$294	
Total Income: \$1,039 wages + \$294 SSI	\$1,333	
\$1,333		
\$1,039	\$294	\$1,333
Wages	SSI	Total

*Based on the 2019 Federal Benefit Rate

20 hours per week @ \$13.50 per hour		
Monthly Gross Wages	\$1,169	
- General Exclusion	- \$20	
- Earned Income Exclusion	- \$65	
Subtotal	\$1,084	
Divide Subtotal by 2	\$1,084 / 2	
Equals "Countable Income"	\$542	
SSI 2020*	\$783	
- Countable Income	- \$542	
Adjusted SSI Amount	\$241	
Total Income: \$1,169 wages + \$241 SSI	\$1,410	
\$1,410		
\$1,169	\$241	\$1,410
Wages	SSI	Total

*Based on the 2020 Federal Benefit Rate

What Happens if a Wage Increase Reduces my SSI to \$0?

If your wages increase so much that your SSI cash benefits are reduced to \$0, you may be protected under the work incentive "1619b."

Under 1619b, you can earn at least \$33,480 per year (2019 figure), remain eligible for SSI – even though you are not receiving a check – and maintain Medicaid eligibility. In some cases, people can earn more.

To qualify for 1619b, you must need Medicaid in order to work. You must also continue to follow the SSI rules: report income each month, and have less than \$2,000 in resources on the first day of each month.