Victory Report: AI-Assisted Investigative Journalism

How The Maine Wire is Enhancing Local Journalism's Approach to Fraud Detection

Executive Summary

A core constraint on local investigative journalism has been that there are more public records than there are reporters to read them. State legislatures publish hundreds of pages of bills and committee transcripts a week. Government contract portals bury thousands of PDFs on government websites built on archaic software. Medicaid provider databases alone run into the tens of thousands of rows. A small newsroom cannot manually work through that volume of material to find newsworthy stories.

This case study looks at how one small news organization solved that problem not by hiring more reporters, but by training an AI research agent called "Hermes" to treat Slack, the newsroom's team communication and collaboration platform, as a command center and public records as data to be scraped and analyzed.

> ***Over roughly a year, what began as a tool for making legislative coverage more efficient evolved into the analytical engine behind one of The Maine Wire's biggest ongoing investigations: a multi-state Medicaid fraud network.***

The project unfolded in three phases. The newsroom first used the agent to monitor a state legislature's website, turning hundred-page PDFs into daily summaries. It then ran the state auditor's own methodology against roughly 40,000 government contracts, reproducing in about a week a review that would normally take the state's audit office roughly a year. Finally, it turned to Medicaid billing fraud, flagging providers billing at the 95th percentile or above per beneficiary, and mapping shared phone numbers and LLC addresses. This surfaced a network of related individuals controlling roughly 500 properties and an estimated $100 million in billings.

The central finding of this case study is not that the AI agent authored the reporting. The records requests, interviews with victims' families, and editorial judgment about when and how to publish remained human work throughout. What changed was the funnel: an AI agent capable of continuously monitoring legislative sites, court dockets, spending records, and provider billing data, cross-referencing them against outside public registries, and producing for a small team a list of leads that would otherwise have required an audit staff a year to compile by hand. For newsrooms lacking the resources to employ dedicated data teams or investigative units, that funnel, which is replicable across states and across categories of public spending, represents the most scalable contribution of this case.

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